

# BULLETIN

OF THE

## NATIONAL ASSOCIATION OF CREDIT MEN.

PUBLISHED MONTHLY BY

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If in your credit work you seem to get on the track of anything which has a suspicious scent, something that looks like a deliberate attempt to gouge the merchants and manufacturers of the country, lose no time in notifying the National office. You will thus enable the officers of the Association to put several thousand business houses on their guard and possibly lead to the accumulation of evidence sufficient for instituting criminal proceedings.

## NEW MEMBERS REPORTED DURING SEPTEMBER.

### Appleton, Wis.

Tuttle Press Co., The—S. A. Wheldon.

### Atlanta, Ga.

Atlanta Metal Bed Co.—L. C. Moeckel.  
Bodenheimer, N., & Bro.—M. E. Bodenheimer.

Brooke, T. H., & Co.—T. J. Brooke.  
Clarke Woodenware Co.—H. E. Clarke.  
Cotton States Belting & Supply Co.—C. G. Lippold.

Dittler Bros.—Emil Dittler.  
Dowman-Dozier Mfg. Co.—G. P. Dozier.

Empire Printing & Box Co.—Jas. H. Hirsch.

Gulf Refining Co.—W. A. Walton.  
International Agricultural Corp.—Lee Ashcraft.

Meyer-Rice Co.—M. W. Meyer.  
Morris Fertilizer Co.—I. Hawtin.  
Oberdorfer, Eugene.

Regenstein, J., Co.—Meyer Regenstein.  
Texas Company, The—E. E. Thompson.  
Wilensky, H., & Sons Co.—Jake H. Wilensky.

### Baltimore, Md.

Ammidon & Co.—D. C. Ammidon.  
Berry, Kimmerle Co., The—Wm. Jentrup.

Ginsberg, Adolph, Tailoring Co.—A. Ginsberg.

Fink, C. C., & Co.—C. Chas. Fink.  
Reier, Blome Co., The—C. F. Murphy.  
Underhill, J. J., Co.—H. L. Conley.

### Boston, Mass.

Emery & Co.  
Underwood Typewriter Co.—F. L. Heimer, Mgr.

Watson Shoe Co.—Charles Gleason, Treas.

### Butte, Mont.

Montana Electric Co.—Mr. Perrier.  
Stone-Ordean-Wells Co.—W. W. Lottridge, Mgr.

### Cedar Rapids, Iowa.

Canfield Lumber Co.—Lee Canfield, Pres.

Cedar Rapids Lumber Co.—C. D. Arnold, Mgr.

Hawkeye Lumber & Coal Co.—W. H. McClintock, Sec. and Treas.

Limback & Jeffrey—J. A. Limback.  
Linn County Lumber and Coal Co.—R. C. Cutter, Sec. and Treas.

### Chicago, Ill.

Central Steel and Wire Co.—Mandel Lowenstine.

Cohn Bros. Cigar Co.—I. Cohn.  
Dallas, A. C., & Son, Inc.—C. D. Dallas.  
Faithorn Co.—H. R. Lundblad.

Forrey, F. M.—care of Fort Dearborn National Bank.

Jacobs & Holmes—C. R. Jacobs.  
La Salle Street National Bank, The—Wm. Lorimer, Jr.

Lukone Tailoring Co.—Simon A. Kohn.  
McGarry, Everett J.—J. H. Daugherty.  
McVoy-Wessling Hardware Co.—J. I. McVoy.

Newman Bros. Co.—E. E. Pilgram.  
Patent Vulcanite Roofing Co.—L. A. Stevely.

R. & G. Corset Co. of New York—Chas. F. Plump.

South Chicago Savings Bank—Warren W. Smith.

Western Trust & Savings Bank—Addison Corneau.

### Cincinnati, Ohio.

Lowry & Goebel—C. A. Dessauer.  
Marks, Friedman & Co.—S. L. Friedman.

Wildberg, A. & H., & Co., The—Saul Cohen.

### Cleveland, Ohio.

Roebing's, John A., Sons Co., The—G. A. Hall.

### Des Moines, Iowa.

Davidson, S., & Bros.—Max F. Kuenkle.  
Herrmann Glove Co.—Wm. Lawrenson.  
International Adjustment Co.—C. H. Miller.

Jewett Lumber Co.—F. M. Jacks.

### Eau Claire, Wis.

Hobbs, W. H., Supply Co.—W. H. Hobbs.

### Hudson, N. Y.

National Hudson River Bank—C. W. Bostwick, Cash.

### Kansas City, Mo.

Baker, Nelson, & Co.—T. W. Keyser.  
Long Bros. Grocery Co.—F. G. Ro-main.

Waggener Paint & Glass Co.—I. D. Waggener.

### Lexington, Ky.

Blue Grass Commission Co.—W. B. Talbert.

Carl Grocery Co.—Joe Carl.

Curry, Brown & Snyder.—Wm. R. Snyder.

Power Grocery Co.

**Madison, Wis.**

Klueter & Co.—Julius Klueter.

**Menominee, Mich.**

Northern Hardware & Supply Co.—Geo. L. Hastings, Sec. and Treas.

**Milwaukee, Wis.**

Day-Bergwall Co.—Gordan M. Day.

Mitchell Street State Bank—J. F. Eger-ton.

North Western Shoe Co., The—Jas. Johnson.

Phoenix Surgical Dressing Co.—L. C. West.

Stickney, Niles T., Co.—Edw. W. Stickney.

**New Orleans, La.**

Consumers Brewing Company—Julius Wyler.

Humphreys, Geo. S., Company—Geo. S. Humphreys.

Jaubert Brothers.

Palmisano & Hunsinger—A. Palmisano.

**New York, N. Y.**

Dryfoos', J., Son & Co.—Jos. Rothschild.

Guichard, A., & Co.—A. Guichard.

Merchants Exchange National Bank—E. V. Gambier.

Stern, Joseph, & Sons, Inc.—Joseph A. Anderson.

United Manufacturers—Arthur Nichols.

**Norfolk, Va.**

Anheuser-Busch Brewing Asso.—C. S. Stevens.

Ballard & Ballard Co.—Jno. B. Rucker.

City Hay & Grain Co.—C. F. Birdsong.

Gwaltney, J. M., & Co.—J. M. Gwaltney.

Kingan & Co., Ltd.—L. E. Baldwin.

Price, S. M., Machinery Co.—S. M. Price.

Upton, L. J., & Co.—T. R. Upton.

Wright, C. E., & Co.—J. H. Wright.

**Oshkosh, Wis.**

McMillen, R., Co., The—J. G. Morris, Pres.

Paine Lumber Co., Ltd.

**Philadelphia, Pa.**

Columbia Shade Cloth Co.—Fred T. R. Fest.

Mitchell, Fletcher & Co., Inc.—Jas. F. Murphy.

Ring, Jonathan, & Son, Inc.—Stanley R. Stager.

Taylor Bros.—G. Wilbur Taylor.

United Trimming Co.—Chas. M. Lavin.

**St. Louis, Mo.**

Brooks Jewelry and Optical Co.—James J. Burke.

Columbia Phonograph Co.—Edward B. Walthall.

Condie-Neale Glass Co.—Geo. M. Dinges, Cash.

McKnight-Keaton Grocery Co.—C. L. Keaton, Jr.

St. Louis Taxicab Co.—J. E. Stewart.

Schumack, A.

Steer, F. A., F. G. Co.—H. A. Copeland.  
**St. Paul, Minn.**

Crescent Creamery Co.—E. A. Cam-mack.

Schubach Millinery Co.—B. Schubach  
**Salt Lake City, Utah.**

Campbell, J. S., Co.—J. S. Campbell Mgr.

Crane Co.—Wm. Bowen, Mgr.

Kohn Liquor Co.—A. L. Kohn, Mgr.

Ogden State Bank—A. P. Bigelow, Cash.

Ogden Wholesale Grocery Co.—Ezra Richardson, Mgr.

**Schenectady, N. Y.**

General Electric Co.—D. C. Davis.

**Troy, N. Y.**

Interstate Shirt and Collar Co.—W. E. Nichols

**Utica, N. Y.**

Bowes Bros.—John Bowes.

International Heater Co.—F. H. Moore.

Roberts, John A., & Co.—Walter F. Roberts.

Walcott & Campbell Spinning Co.—Slayber Laycock.

**York, Pa.**

Gilbert Wall Paper Co.—P. J. Gilbert, Pres.

**Pittsburgh, Pa.**

American Bank Note Co.—R. W. Thompson.

American Express Co.—H. E. Taylor.

Art Engraving and Printing Co.—R. X. Blair.

Bauer & Black—F. L. Rousseau.

Blume, John C., Co.—J. T. Wilson.

Burt, William C., Co.—W. C. Burt.

Catanzaro, S., & Co.—S. Catanzaro, Jr.

Chandler-Boyd Supply Co.—S. M. Chandler.

Coggins, M. O., Co.—C. A. Coggins.

Credit Clearing House—Geo. K. Ferrall.

Dermitt Printing Co.—J. E. Dermitt.

Diamond Forging and Mfg. Co.—D. R. Wilson.

Fairbank, N. K., Co.—F. H. Fisk.

Fanning, Joseph R.

Focer, S. C.—Jos. C. Focer.

Fort Pitt Hat Co.—E. Smith.

Fort Pitt Hotel Co.—C. A. Blanchard.

Heisley, S. E.—Frank S. Heisley.

Hoover & Hurst—F. M. Hoover.

Hunter Saw and Machine Co.—F. A. Hunter.

Ingham, W. G.

Jones, William L.

Kammerer Bros. Co.—W. S. Kammerer.

Koehler Produce Co., Ltd.—Geo. W. Depp.

Lohrey, Henry, Co.—Henry Lohrey

Lynne, Wm. C., Son & Co.—A. M. Peter-son.

McCaskey Register Co.—D. C. Bower.

Miller & Co.—Wm. K. Miller.  
 Miller, Chas. R., & Co.—Chas. R. Miller.  
 Moore, Lee C., & Co., Inc.—C. E. Swanson.  
 Murphy, John, & Co.—Edgar H. Martin.  
 Phillips, J. & H.—J. S. Sprague.  
 Pillsbury Flour Mills Co.—Dwight K. Yerxa.  
 Pittsburgh Life & Trust Co.—F. C. Parsons.  
 Post Publishing Co.—W. E. Birchman.  
 Price & Lucas—V. D. Price.  
 Railway Car Material Co.—J. W. Scall.  
 Ripley & Co., Inc.—Frank E. Freese.  
 Schaub Fruit Co.—J. B. Schaub.  
 Silverberg, E. Meyer.  
 Taylor, H. P., & Co.—Chas. A. Lawrence.

Thomson & Sproull—Wm. H. Sproull.  
 Travis, Albert M., Co.—A. M. Travis.  
 Troop Bros.—R. A. Troop.  
 Western Bank Note and Engraving Co.—J. A. Marshall.  
 Westinghouse Air Brake Co., The—R. F. Emery.  
 Williams, W. H., Produce Co.—W. H. Williams.  
 Zemmer Co., The—C. C. Doll.

#### Youngstown, Ohio.

Armour & Co.—A. F. Bixler.  
 Burge, W. B.  
 Equity Savings & Loan Co., The—H. H. Geitgey.  
 Richards & Evans Co., The—N. M. Richards.

Members of the National Association of Credit Men who have had dealings with the Sprague Mercantile Agency, of Chicago, Consolidated Adjustment Co. of Chicago, Barr & Widen Mercantile Agency, St. Louis, Whitney Law Corporation of New Bedford, Mass., National Collection Agency of Washington, D. C., International Law and Collection Agency of Dayton, Ohio, and Manufacturers' and Jobbers' Commercial Agency of Benton Harbor, Mich., are requested to report the results of the same to the National Office.

#### Notes.

October 7th was made "Credit Men's Night" by the management of the Pittsburgh Exposition. Credit men and their friends took advantage of this invitation in large numbers.

New officers for the Des Moines Association of Credit Men include John Boyt, of Walter Boyt Saddlery Co., president, and A. J. Betten, of Brown-Camp Hardware Co., secretary and treasurer.

The Spokane Merchants' Association has been conducting a tour through the towns tributary to Spokane as a trading center for the purpose of strengthening the bond of good fellowship among the business interests of eastern Washington.

The Norfolk Association of Credit Men feels that in recognition of the splendid growth of its city as expressed by the census returns it must measure up to that growth with an association of one hundred members. This means an increase of thirty-one in membership is to be sought.

The St. Paul and Minneapolis associations have a committee at work devising a plan for the exchange of credit information between their bureau, the Northwestern Jobbers' Credit Bureau and the credit men of Fargo, Sioux Falls, Grand Rapids, Aberdeen and Sioux City.

At the annual meeting of the Columbus Association of Credit Men held September 26th, the following officers were elected for the ensuing year: J. J. Jennings, of the City National Bank, president; G. Edwin Smith, of G. Edwin Smith Shoe Co., vice-president, and Walter English, of the Ohio Trust Co., treasurer.

The American Bankers' Association opened its thirty-sixth annual convention at Los Angeles, California, October 4th, with a large attendance of delegates from all over the country. A review of the work of this convention will be presented in the November BULLETIN.



At the annual September meeting of the New York Credit Men's Association new officers for the ensuing year were elected as follows: president, Frank S. Flagg, Powell Bros. Shoe Co.; first vice-president, Geo. H. Williams, H. A. Caesar Co.; second vice-president, E. D. Flannery, A. Steinhardt & Bro.; treasurer, Ed. E. Huber, Eberhard Faber.

"*The Courier*" is the title of the organ of the Milwaukee Association of Credit Men which made its appearance under date of September, 1910. Its purposes are well stated as follows: "To endeavor to instill in the mind of each member a determination to take a more active part in the general work of the association and encourage other business men to join."

Recent callers at the National office include, Secretary A. C. Ellis, of the Pittsburgh association; Secretary W. C. Mushet, of the Los Angeles association, who has been spending a few weeks abroad; Louis A. Kempf, of the Newark association; William M. Turner, of the Chicago association; William F. McAvoy, of the Baltimore association; Edgar M. Cahn, of New Orleans, who made a notable address on "Every Man's a Credit Man," before the last annual convention of the Association, and L. J. Kadeski, of the St. Louis association.

The Youngstown association is planning to make its annual meeting, to be held October 20th, one of Youngstown's great events of the season. Such prominent speakers as President W. C. Brown, of the New York Central Lines; Prof. George A. Vincent, Dean of Chicago University, and Judge J. B. Kennedy, of Youngstown, are to be guests, and Comptroller Prendergast, of New York, is being urged to come. Nothing could do more than a meeting addressed by such men to bring the local body prominently before Youngstown's business interests.

The Chicago association for the purpose of bringing about uniformity in titles throughout the organization has adopted the name, Chicago Association of Credit Men in place of Chicago Credit Men's Association. An examination of the directory of affiliated branches will show that there are but a few which have not yet adopted this uniform style. It would be found a distinct protection against the use of similar names for business purposes if it were possible to say that every branch of the Association appeared under a uniform title, as for instance ——— Association of Credit Men.

The Milwaukee association recently suffered a sad loss in the death of Evan H. Jones, for many years the credit manager of the F. Mayer Boot and Shoe Co. Mr. Jones was a director of the Milwaukee association and from the inception of the Milwaukee adjustment bureau has been the chairman of the committee in charge, and perhaps more to him than to any other belongs the credit of having placed the Milwaukee bureau in its very high standing and as representing the best ideals in systematic co-operative adjustments. In this respect, therefore, his loss becomes a real one to the entire National Association.

The "T. A. C. M.," being the organ of the Toledo Association of Credit Men, made its September issue a call to the National Association of Credit Men to return to the birthplace of the organization during the convention week of 1911. The Toledans promise one of the heartiest "home-coming weeks" ever extended an association by a city which has developed during the fifteen years since the birth of the association with

remarkable strides. The last page of the "T. A. C. M." presents a map especially made for the issue by a member to show graphically why Toledo is one of the four Great Lakes ports and some of its advantages over the other three.

John W. Dages, of Dages, Andrews & Co., a leading member of the Columbus Association of Credit Men and also an individual member of the National Association, has the heartfelt sympathy of a host of friends among credit men in the loss of his only son, Dr. Oren N. Dages, who graduated last June from the Harvard Medical School. Dr. Dages, with a number of physicians and attendants of the Boston Floating Hospital, was camping on a New Hampshire lake and in an heroic attempt to rescue one of the party, Dr. Dages lost his life. The nobility of the act through which young Dages died should give his relatives and friends no little consolation in their great grief.

Secretary A. C. Ellis, of the Pittsburgh association speaking of the work of the adjustment bureau at Pittsburgh points out that it handled during the last association year 135 cases, covering total liabilities of \$1,080,000, and out of the assets of these concerns were realized \$422,000, which was subjected to preferred charges of \$57,000. Of these cases 34 were amicable adjustments and settled out of court, which paid from 20 to 100 per cent. to the creditors. The remainder of the cases were in bankruptcy, and varied from 5 to 60 per cent. settlements for the creditors.

The committee of Pittsburgh business men, among them President Rauh, of the Pittsburgh Association of Credit Men, who have been asked to exert their influence to arbitrate the differences between operators and employees in the Westmoreland county coal mining districts are in communication with all interests involved and there is now good reason to hope that the no-compromise policy which has held the best interests of the county in its deadly grip will soon give way to a friendly attitude in settling difficulties. All members of the Association will be glad to hear of the success of Mr. Rauh's excellent committee.

The International Association of Accident Underwriters held its twenty-third convention September 20-23, 1910, at Bretton Woods, New Hampshire. Liability and accident matters have occupied such large space in the public mind that the convention found itself occupied with a vast number of important problems touching not only company management but public welfare. One of the significant papers, for instance, dealt with "Some Symptoms and Aspects of the Tendency Toward Socialism." In another the attitude of the courts toward insurance companies was thoroughly gone into.

An important event in the printing trades was the Second International Cost Congress for Employing Printers, held October 6-8, 1910, in St. Louis, Missouri. Representative printers from all over the country were present with the purpose in mind of advancing the standardizing of methods of figuring costs and widening the adoption of the standard uniform cost finding system. The subjects discussed are all of the utmost interest to the printing trade, as for instance, "Importance of Making Every Job Show a Profit," "Will the Use of Cost Systems Cause Loss of Business?" "Distribution of Overhead Burdens," "Credits in the Printing Trade," etc.

It is quite useless to hope that all our members will ever be put on their guard against rushing into arrangements with collection agencies to handle their accounts. Every new agency that presents its claims is, of course, according to the solicitor, in a class by itself, superior to all others, and he makes hundreds believe it, literally takes town after town by conquest so to speak as he journeys about. Those who are familiar with his ways and of those behind him, may tire of our constant drumming at collection agencies but we know from experience, we must not stop. So again let it be urged that you have nothing to do with any collection agency until you learn all about it. The National office can help you get correct information.

That amicable adjustment of insolvent estates means almost startling economy in administration, is shown by four cases which have only recently been closed by the adjustment bureau of the Pittsburgh office. In one in which \$8,000 or full payment was made the creditors, total liquidation expense was but \$78.75; in another in which \$8,272.79 was paid creditors, \$435.41 was the total of liquidation expense; again in a case giving creditors \$4,219.30, but \$44.65 went to the liquidating item, and finally in a case in which \$18,000 was paid to creditors only \$341.88 went to defray the expense of handling the estate though seven months were occupied in the process of settlement. Are not these figures proof sufficient that we have been prodigal in our manner of handling insolvency matters?

The adjustment bureau of the Baltimore association has just finished a hard fought battle in which it succeeded in raising a settlement from \$7,000 to \$15,000 through a demand for a reappraisal of the stock. The case, that of C. P. Green, of Dothan, Alabama, also involved a suit against the debtor's attorneys to reduce his fee of \$2,500 which had been approved by the referee. The court ordered that \$900 of the fee be refunded to the estate. Judge Jones, with whom certain matters were taken up direct by Secretary Buck, of the Baltimore association, declared that it was a pleasure to see that creditors are awakening to the idea that it is not the fault of the bankruptcy law that so little is often realized out of bankrupt estates, but the fault of the merchants who do not force their rights under the law and fail to assist the court in compelling the debtor to give up ill-gotten gains.

The recent settlement of the lawsuit brought by O'Callaghan and Fedden, mill agents, New York, against Rosendorf & Co., jobbers, establishes rather a significant precedent. After the verdict was rendered against the jobbers by the Supreme Court, Rosendorf & Co. appealed the case. But Rosendorf & Co. closed the case prior to the appeal by paying O'Callaghan and Fedden \$3,168, the full amount of the suit. The point at issue is that manufacturers or their agents can hold buyers responsible for any merchandise ordered, whether a written order is made out or not, provided there is any written evidence that an order has been placed. In this instance, a letter from Rosendorf & Co. asking that the major part of the order be cancelled for \$3,600 worth of gloves proved that the order had been given.

The *Bulletin* of the Northwestern Jobbers' Credit Bureau, which is the adjustment bureau of the Twin Cities Associations, issue of September 9th, describes the present condition of all cases actually in process of settlement under bureau direction. The list is long and speaks of great activity. It also points conclusively to the confidence

in which the jobbers and manufacturers of the Northwest hold the bureau, which from the beginning has been under the able direction of J. F. Jordan, of Wyman, Partridge & Co., as chairman of the board of directors. Besides adjustment work, the bureau also cares for the interchange department of the association which is probably helping the credit men of Minnesota in checking credits more than any other facility providing credit information.

Every member of the National Association of Credit Men should have received early during the present month a letter from the National office setting forth the plan of the Prosecuting Committee to establish under the direct control of the Association a National Investigation and Prosecution Fund. The way for this letter was paved by the action of the New Orleans convention upon the report of the Prosecution Committee which placed upon the Board of Directors the responsibility of determining whether such fund should be established. The officers felt that the members should have the chance to express themselves for upon the extent of their support the success of the movement wholly depends. If by any chance the letter above referred to did not reach you, please notify the National office at once for the Board wants to receive the largest possible help in handling this problem.

At the New Orleans convention a delegate from the Seattle association, a man at the head of a large business, told the following interesting incident regarding becoming acquainted with the Association. He said that last year, just prior to the time for selection of delegates to the convention, his bookkeeper came to him and said that he did not believe that the house should continue its membership in the Credit Men's Association, as he did not see that it did them any good. The speaker went on to say that he made a little investigation and found that his bookkeeper did not attend meetings, and as a number of prominent concerns found a value in the association he was determined to find out for himself, so he attended the meetings and was appointed delegate to the convention and had found the meetings of both the local association and convention so helpful and interesting that he meant to go back home and discharge that bookkeeper and put his son in his place, giving him distinct instructions to attend every meeting of the Credit Men's Association.

The Legislative Investigating Committee of the state of New York is about to start a careful study of fire insurance with a view to bringing out unjust practices which may be corrected and weak conditions which may be bettered through legislative enactment. The committee sincerely desires the business men of the state to help it in its work. They may do so by giving instances of seeming abuses out of their own experience or that of others, which have come to them first hand, abuses on the part of the fire companies, their agents, adjusters, the rates, et cetera. And these expressions are wanted not only from New York state business men but those located all over the country because it is felt that here is an opportunity to start an investigation the good results of which may redound to the advantage of the whole country. The New York committee is a good one and is surrounded by able and conscientious advisers and this chance to advance the cause of better fire insurance conditions should

be eagerly grasped by the business men of the country. Give this matter your early thought and advise your members to do likewise. All communications should be addressed to the National office, 41 Park Row.

Comptroller of the Currency Murray, has appointed a committee from among the national bank examiners, whose duty it is to draft a plan of a national credit bureau the purpose of which shall be to bring together from all bank examining centers credit information regarding loans made by national banks under the following headings:

List of outside or foreign paper of borrowers whose principal headquarters or place of business is outside of their districts.

Doubtful or questionable paper in which officers or directors are interested.

Doubtful or questionable paper of other persons or firms than officers or directors.

Large or extended lines of credit in which officers or directors are interested.

Large or extended lines of credit to other persons or firms than officers or directors.

The examiners who have been called in are to be asked to devise ways for organizing the material in an effective way under these heads and to sketch a means for disseminating the information among the examiners as it may be needed. Bankers generally await with great interest the announcement of the examiners' plan as there is a great difference of opinion as to the practicability of the broad scheme in view of the large state systems of banking which, of course, come under state control.

For the information of those members who attended the New Orleans convention and joined the "Lemon Club," the following letter received by the treasurer of the club is presented by request:

"THE PITTSBURGH AND ALLEGHENY MILK AND ICE ASSOCIATION.  
Room 503 Bijou Building,  
Pittsburgh, Pa., June 11, 1910.

Mrs. W. R. King,  
Memphis, Tenn.

My Dear Madam:

Our Association has received the sum of \$3.50, the result of a little club's efforts on behalf of our poor little Pittsburgh babies.

We have had the item published in our Pittsburgh paper—"The Dispatch"—and trust you will so inform the members of the club.

With sincere thanks,

Very truly yours,  
FLORENCE R. WADE, Sec."

Harlow Palmer Davock, of Detroit, one of the most prominent referees in bankruptcy in the country, who took a leading interest in the recent amendments to the bankruptcy law, died August 30th at Bretton Woods, New Hampshire. Mr. Davock's appointment to his office came when the bankruptcy law was enacted and when practice, therefore, was unsettled. The bulletin of the Detroit association in paying tribute to Mr. Davock says: "It fell to him to assist, in a large measure, in shaping practice under the bankruptcy act in the Eastern District of Michigan into a logical system which should accomplish justice. His qualifications for that work were an absolute sincerity which had full confidence in itself and doubted not that it commanded the confidence of all suitors in his court; a sympathy for all before him and particularly a keen appreciation of the difficulties and anxieties of the younger practitioner; a uniform courtesy in his official acts coupled with a gentle firmness about his decisions which made one feel that they were born of



reflection and conviction. He was widely learned in his department of the law and endowed with the capacity and the will to apply legal principles to the cases before him without favor to any man. The result has been that there has grown up in his office a logical system of practice, unhampered by written rules, by which business is speedily and economically dispatched and justice is administered with an even hand. That is a worthy monument to any man, but not enduring, because it is embodied only in customs known chiefly to our profession, it exists only in our memories, and soon those who practice and benefit by the customs will forget by whom they were established. It is the more fitting, therefore, that we should bear this testimony to the honor of the man to whom they are largely due."

When in need of a man for your credit or collection department, do not overlook the facilities of the Bulletin "Wants" Column. It is for the use of the members without charge. Employees have frequently expressed their appreciation of what the column has accomplished in bringing them into touch with good men.

#### **A Fugitive from Justice Whose Re-Arrest Can Probably Be Brought About Through Our Members.**

In the April BULLETIN appeared an account of one "W. Parker," who from his great warehouse in Portsmouth, Va., (five stories high, so the letterhead would indicate) had been ordering by mail all sorts of merchandise, mostly in sample lot quantities. When his creditors became suspicious and prepared to fall upon him, it was to find that the building had shrunk to two stories and a roll-top and typewriter desk only remained of his pretentious business.

Again the same party has appeared in Danville, Ill., masked under the name "J. K. King," and this time presenting on his letterhead a ten-story structure of magnificent proportions. It appears that under the name "Chas. N. St. John," and the "St. John Wholesale Supply House," he had early in 1909 operated at Muncie, Ind. His plan in each instance has been to adopt a good name similar to that of some responsible firm or merchant in the same city if possible, then write for prices, order goods, dispose of them quickly and abscond.

The postal authorities caused "King's" arrest at Danville, August 16th. He was placed under bond of \$1,000 which he promptly paid in cash. He defaulted the bond and is now a fugitive from justice. It is not at all probable that he will waste much time in re-establishing himself and his methods will be undoubtedly such as to expose him to suspicion if the credit men of the country are awake. If you may receive any communication which scents of this dangerous crook do not bury the letter in your file, but send it to the National office post-haste.

Last year witnessed great progress in the development of bureaus for the exchange of credit information, the best known means of securing full knowledge of your customers actual and prospective and in the quickest possible time. Nothing could be sounder than progress in interchange bureau work and it is hoped that during the present year the list of locals having interchange bureaus will grow steadily. Why should it not be almost as long as the list of affiliated branches?

### Information Wanted.

Members who may have information regarding the following should inform the National office at once:

Elledge and Lindsay, Bowling Green, Missouri;

W. L. McMaster, operating at Kearney, Mississippi, shipping point, Holly Bluff, Mississippi, principally in the grocery line;

Western Stores Company, Kansas City, Missouri;

Also

William Smith,

Warren & Smith,

Chas. Seal,

M. M. Smith,

D. B. Warren,

H. T. Seal,

W. M. Smith,

J. L. Warren,

Thos. Seal,

M. Smith,

M. T. Warren,

who give different addresses in Bell County, Kentucky, mainly, however, Carey and Bingham;

J. K. Reid, formerly of Wichita, Kansas.

### Can You Assist in Finding These Debtors?

It will be appreciated if those having any clue to the present whereabouts of the following communicate their information to the National office:

C. W. Austin, recently proprietor of the Keystone Cash Grocery of Keystone, W. Va. Austin was previously located at Crozet, Albemarle County, Va. When last heard of he was in Indiana;

D. L. Devine, till a few months ago located in the general store business at Fox Lake, Ill. Is supposed to have gone to Los Angeles, Cal.;

D. L. Roshan Co., formerly of Pittsburgh, Pa.;

C. Le Roy Fenning, formerly of 210 Willis Avenue, New York, N. Y.;

M. Plato, formerly of 1696 Myrtle Avenue, Brooklyn, N. Y.;

F. A. Warner, formerly located at Kennewick, Wash.;

Peyton R. Harrison, formerly a railroad and levee contractor at Louisville, Ky.;

Parkie Scott, formerly in business at Berea, Ky., said to have left for some southern point;

O. C. Jackson, of the Park County Electric Co., Livingston, Mont., later employed by the Montana Independent Telephone Co., of Butte, Mont., as electrician, and a member of the Electricians' Union;

D. R. Grossman, formerly of Brazil, Ind., now supposed to be in Salt Lake City, Utah;

L. Chase, who till recently was operating a creamery at Farmington, New Mexico, going from there to Fowler, Colo., it is said, with another man's wife, thence moving to Stockton, Cal., residing somewhere in the suburbs of that city.

Washington Plumbing and Heating Company, Fischer & Fowler, proprietors, Washington, Mo.;

Oscar Pollock, formerly in the men's furnishing and notion line in St. Louis, later in the same line in Minneapolis;

C. H. Miller, trading a short time ago on Penn Ave., Pittsburgh, Pa., as C. H. Miller Coffee Company;

A. E. Freidburg, formerly of Pioneer, La., where he had a fire in which his hands were badly burned;

Theo. Weinhaus, formerly in the machinery and supply business at Coffeyville, Kans.;

W. C. Savage, formerly located at 422 University Block, Syracuse, N. Y., under the name, W. C. Savage Asphalt Company;

Victor Gabriel, formerly in the dry goods and men's furnishing lines at 3515 Broadway, New York City. Is said to have removed his stock October 1st and has not since been seen;

Walter Silverberg, formerly of Smithton, Pa., where he failed and creditors defeated his discharge in bankruptcy. Is now said to be in good circumstances and they naturally wish to locate him;

Ideal Grocery Co., Perry, Ia. (Thos. E. Scott, Prop.), said to have moved to Manvell, Texas, later to Sturgess, S. D.

### ADJUSTMENTS AND TRUST DEEDS FROM AN OLD ADJUSTER'S STANDPOINT.

BY JOHN M. BRADFORD, BEFORE ST. PAUL'S CREDIT MEN'S ASSOCIATION.

The paper I have prepared for the Association of Credit Men is compiled from the experiences of a commercial lawyer extending over the last twelve years, most of which years were spent in handling adjustments. It seems to me that the method of adjustments has grown greatly inferior to those in vogue a few years ago. The science to a certain degree has been lost.

It was thought by a great many men handling credits that the enactment of the bankruptcy law meant the end of clever adjustments. Before the enactment of that law the work of the adjuster was more varied, more spicy and more fun. For instance, the word received in the credit office that Jonathan Straightlace, of Notown, N. D., had absconded, started the credit man up from his chair to the telephone like a shock of lightning, he communicated with his attorney or adjuster, who always had his grip packed and ready in his office, instructing him to get to Notown and attach, and to get there first. Several other credit men received the same information at the same time, and likewise ordered attachments. The man that had the most nerve and the most push about him was the first attaching creditor.

Special trains, to be first on the ground, have been ordered. Through limited trains have, by the president of the road, been ordered stopped at a little way station to accommodate the adjuster. County sheriffs have driven miles in storms, upon telegraphic notice, and the fun and reward was to sit on the counter of a store, chewing crackers and cheese for breakfast, and watch the other attorneys come in on regular trains and then gently radiate superiority upon them and wish them luck with attachments after your account was paid. The ingenuity and wisdom of an old man at the business was of the first water and a pleasure to an experienced witness. In those days, the first man on the ground was usually first served, and what was by him obtained for his house belonged to that house, and other creditors were welcome to what he left. This has now been changed.

Then the credit man was a credit man. He did not and was not able to be credit man and lawyer both. The delicacy of an attachment, and the dire results of an improper levy, were obstacles with which he did not want to or could not cope. An interesting evening could be spent in listening to experiences, novel, ludicrous, dangerous, of an old adjuster, and many are the nights I have spent on the cars, smoking cigars (charged to expense) with other attorneys, listening to stories of how they did the other man up or fooled the would-be credit man adjuster.

But as suggested above, the spice of the adjustment science—for it is still a science—has to a certain degree been removed by the bank-

ruptcy law. A man may ride on specials or freights, sit up most of the night in a cold station, waiting for a delayed branch, and hustle his best to reach the battlefield first, and when there and nicely in possession of the day have one of his friends and competitors walk in several hours later, after having ridden in palace cars, eaten in dining cars and slept in Pullmans, cleanly shaved and smelling of sleeping car soap, who will take off his coat, carefully adjust his tie, and say, "Well, I guess you better let me in on this deal hadn't you?" And what do you say? "Yes, sure, gladly, all I have done is for your benefit, and while we are at it let's take all the creditors in with us." Such cases often occur now, and perhaps that is a good reason why a credit man believes that any man who calls upon him for business and calls often enough can handle adjustments, regardless of his experience or training, and inasmuch as I am not now actively in the field for this class of work I think I may speak freely to you on this subject.

The practice of taking trust deeds has grown largely within the last three years, in fact, instead of being the last resort of an adjuster, and one which should never be suggested until heroic efforts for some other settlement have been made, it has become the incompetent adjuster's first aim. In the long experience which many of my friends and I have had, I can say that in ninety-nine out of a hundred cases the country merchant is just as anxious to do what he can for your client as you are to have him. Most, if not all, of such merchants are entirely ignorant as to the law or as to what will answer for security or a satisfactory adjustment, and they invariably have confidence in the man sent to them by a house which has shown confidence in them by giving credit and will, if handled right, use their efforts and strain every imaginable resource to take care of your account. The method of handling the merchant, finding out his family connections and possible resources, would make a paper of too great length. But concisely put, I believe the following suggestions for adjustments should be carefully observed, bearing in mind that as an adjuster you are not necessarily a collector, but are representing the credit department and desiring to keep for your client a good account if it is good, and if it is not good, to protect the account in such a way as will enable your client to get his money. These suggestions are:

*First.* Get your man's confidence; show him you are acting for his benefit as well as your client's.

*Second.* Get a true and accurate idea of his actual condition and get this by personally going through his books and by a rigid cross-examination. I do not now remember of a single instance when I have been refused examination of the books. If his business is in good shape and your judgment tells you that he is perfectly solvent and the embarrassment only temporary, leave him good natured and save the account for your client.

*Third.* If upon investigation the account looks bad or you find the man insolvent, go after him and find out his possible resources and names of friends or family who might assist him to prevent a failure.

*Fourth.* Keep him good natured; do not antagonize him and do not give up and say, "Well, I guess a trust deed is the only thing." Insolvency to a capable adjuster does not mean failure, and it does not mean a trust deed. It should, and in fact does, put a man on his mettle. This is the time when scientific diplomacy must come to an adjuster's aid, as he knows that if his account is saved it can only be done by obtaining some security or some adjustment which will stand the test of bankruptcy.

In obtaining adjustments on insolvent accounts, the Golden Rule will not be broken or even cracked, for any such adjustment, of course, must be from sources outside of property of the merchant or from his exemptions, so that the assets available for all creditors are not in any way depleted.

These four suggestions can be fully enlarged, I think, to cover all cases. A merchant, after putting several good years of his life into a venture, does not want to give it up and will, if properly led, strain every possible point to hold on to his business. At the same time, after an unsuccessful season, many of them are discouraged and if an adjuster tells them there is no hope and a failure is the only solution, they oftentimes will give up and agree with the adjuster, while the adjuster should, under such circumstances, inject a little hope into the man and get out and personally help him get satisfactory security, instead of having him execute that fond illusion, the "Trust Deed," which, fluently described by the adjuster with its many attractive paragraphs of continuing the business in the usual and ordinary course, and the repayment to the party of the first part of any and all surplus after the payment of his debts, expenses and attorney's fees, seems like a haven of rest to the troubled merchant, an erstwhile shifting of his burdens to the trustee for just a short time until all his debts are paid, then getting the business back all clear and free from debt. The adjuster urges it instead of getting down to the real hard, earnest, conscientious work necessary, and which work will get security which will protect his client and save the poor drowning merchant.

The science of adjustments, from the adjuster's standpoint, I have said, has to a great degree been lost since the bankruptcy law was passed, and the trust deed has become fashionable, but in reality the adjustments now are so much more difficult that only the most scientific work will bring results. It is the duty of any credit man to protect his house by all fair and lawful means. This is his first duty, and very few credit men can do justice to two jobs. Let the credit man handle credits—let the adjuster handle adjustments.

If one of the local adjusters should come to you and tell you how to pass on your credits, you would tell him that credits were *your* business. Yet each of you credit men instruct an adjuster as to what he should do when he sees his man. The adjuster does not tell you *that* is *his* business, because he dare not, but he listens to you and thinks it just the same. No credit man, sitting in his leather upholstered chair before a mahogany desk in St. Paul can tell the poor devil of an adjuster in a dirty little town in North Dakota, interviewing a crude foreigner in a dark, cold store, what to do with circumstances and conditions unknown to exist, and which nothing in your credit folder hints at. Let the adjuster adjust, and if he cannot do it without instructions from the occupant of the leather chair, get a man who can. But where the credit man can help is in promptly getting after an account, and properly to fill his position he should be able by the handwriting on the wall and that sixth sense which in time becomes part of his being, to tell just about when an account needs the doctor's care. If the account is not so healthy as it should be, find out what is the matter and call for the symptoms and get to work on the case, and by such prompt measures most losses can be prevented.

The lot of such doctor or adjuster at \$10 per day is not a happy one. Don't any one of you men think for a minute that he is going to soldier on you for the sake of running in another day's charge. The men in that business here in the cities are hard workers. They are worthy of great confidence and endure hardships equal almost to the



explorers on their North Pole trips. The accommodations are vile. I have often preferred to endure the counter of a merchant's store, with some of Lindeke, Warner & Sons' unpaid-for quilts for a downy couch, than suffer the slings and arrows of the outrageous hotels I found. The food is on a par with the beds, the drinks the same. And say, the drinks were awful! Once on a cold and snowy drive, made with another adjuster, a bottle (also charged to expense) was smuggled in and sampled when the cold got too bad. That night, before going to bed in a room where the water in the pitcher was frozen, in attempting with cold hands to get the bottle out of a pocket, it fell and broke upon a cheap rug. The next morning the rug, where the so-called whiskey had touched it, had turned green, and my interior had also turned green and during the night inside out.

Some of you men come along, leave your slippers, leave your fire-sides, leave your gilded radiators and come on a drive with us on some of those trips and see if we earn \$10 per day.

There is a story of a judge who in a small county seat was vice-president of a bank, and during his summer vacation he used to help out at the bank.

One noon, when the cashier was out to lunch, a man came in who knew the judge, but whom the judge did not recognize. He presented a check for payment and the judge refused to cash it, saying he would have to be identified. The man persisted that it was all right, took out his pocketbook with his name stamped on it, showed him his initial in his hat, the monogram on his shirt sleeve, but the judge still refused.

The man, becoming a little angry, replied, "Why, judge, I have known you to hang a man on less evidence than that."

"That may be," the judge said, "You can't always be certain as to the innocence or guilt of those poor devils. But when it comes to cashing checks you have got to be damned careful."

So I say, with the judge, in taking trust deeds you have got to be "damned" careful.

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### **A Useful German Trade Organization.**

It may not be generally known among manufacturers that there is at Berlin, Germany, an association actively forwarding the work of increasing German-American trade, known as the American Association of Commerce and Trade.

This organization was founded seven years ago by Americans and is run by Americans on American lines for the purpose of promoting American trade with Germany and German trade with the United States. This is a thoroughly American and hustling institution, organized especially for assisting American firms to start branches in Germany. The organization has the largest and most complete American reading-room in the empire, thirty daily American papers and one hundred and fifty trade publications, all United States government reports and statistics, all the directories of the leading American and German cities, all the principal telegraph codes, all of which it places at the disposal of American business men and travelers visiting Berlin.

This association appeals to all American business men intending to do business in Germany, whether temporarily or permanently. Information is fully given regarding business conditions in Germany, agents are found, inquiries answered thoroughly and satisfactorily and firms actively assisted in establishing branches.

### Credit Co-operation—An Appreciation.

I asked, said an officer of the New Orleans association, one of our staunch members who comes to the office once, and sometimes twice, a day, "How would you get along if the facilities of our office were withdrawn and lost to you?" He replied, "You know, I've often thought of that. I don't know. I have been a credit man in New Orleans for more than twenty years, and when I compare the present-day facilities afforded by our credit men's office, and those open to me many years ago, I wonder how we used to do it. It would be a calamity to me and my firm if I were estopped from the use of the office."

This is quoted to bring home to those members who use us indifferently, or not at all, what they lose by not taking full advantage of the information contained in our office, and to be had *no where* else.

You may fill an order, and eventually come to grief, whereas, if you had had our report, you would have demanded cash and saved yourself the worry of following up a bad account to an ultimate loss.—*New Orleans Bulletin.*

### METHODS FOR OPENING A NEW ACCOUNT BY THE CREDIT DEPARTMENT.

BY OSCAR A. KLEPPISCH, GUTHMAN, CARPENTER & TELLING,  
CHICAGO, ILL.

*(At the last annual convention of the National Association of Credit Men, the writer of this article was awarded third prize for general excellence of his contribution on this topic.)*

The extension of credit to new accounts presents to the credit man problems more difficult than do orders of old customers, owing to the fact that the credit man has no experience of his own with the customer, and consequently must come to his conclusions alone on the facts obtained from other sources and other men's experience.

Therefore, when a first order is received, the credit man is obliged to start a quest for the determining factors of the credit risk, and the methods of obtaining them become an interesting study. Each case presents novel conditions, and methods must therefore vary according to the circumstances. Nevertheless, we will undertake to make two classifications of initial risks, namely: (1) Orders for immediate shipment from concerns just starting; (2) Orders for future shipment from concerns just starting, and orders for immediate shipment from concerns already established.

We will begin by taking up an order within the first classification, the customer not being rated in reference books. The determining elements of a risk of this class may be said to be capital, ability, prospects and antecedents, and, bearing in mind that the order is to be shipped immediately, promptness in gathering our information becomes of prime importance. Here the co-operation of the salesman must be called for.

Therefore, the salesman must be provided with suitable blanks upon which he can give a concise outline of the information he obtains—by which is meant the amount of stock on hand or to be carried, insurance, prospects, former location or predecessor if any, a general impression of the man, and any other information he thinks liable to be helpful to the credit department—though it should be impressed upon his mind that he give not only the facts he gathered, but also the source of his information. The latter is probably of more importance than the former, which will appear obvious to the experienced credit man and needs no argument.

Presuming that a salesman's credit report accompanies the order, references should be written to immediately, as should also banks and an attorney at the customer's town and town of his former location, if any. Requests should be made also for reports from the agencies and a prompt response insisted upon, and if either agency has a complete report the credit man may commence his analysis immediately. If the agencies have no report, however, we must look for other means of obtaining the necessary information, and this must be done without delay, for, if the credit is a liberal one, it is not likely that replies from banks or attorneys to ordinary inquiries will be sufficiently accurate, complete and reliable, to warrant an extension of other than moderate lines, and it therefore behooves us to look to other methods for the desired details.

We find two courses open to us. One is a letter to the customer himself, and the other is a special inquiry of a reputable and efficient attorney or banker. No rule can be given as to which course may be expedient to employ, but each case must be governed by the favorable, unfavorable or indifferent aspect of the information already at hand as set forth by the salesman or otherwise as against the size of credit involved.

Generally speaking, it is advisable to avail ourselves of every opportunity to obtain a statement from the customer, and when he wants an order immediately he naturally expects that the house will want to know how he stands before making shipment, and a frank letter from the credit department, stating that the request for a statement is made in his interest—namely, to avoid any unnecessary delay—in most cases will be met with a speedy compliance. Further arguments which can be used in the letter are that the customer is better authority regarding his affairs than any one else, that the statement will establish that confidence and good-will always desirable between house and customer, and that it will tend to establish his credit and will enable the house to serve him as a reference in that market. It might not be out of place here to make the point that even though information at hand, while not especially favorable, warrants the shipping of the bill, the same presents an opportunity to the alert credit man to write with the invoice for a statement, and he who has never attempted this will be agreeably surprised at the result.

If it is not deemed advisable, however, to approach the customer for a statement before shipping the order, and more definite information is desired, the other course may be pursued. We should be satisfied, of course, that the attorney to whom the special letter is directed is reliable and efficient, and the inquiry, whether addressed to either an attorney or a bank, should be accompanied by a small fee of, say, one or two dollars, and should state that the transaction is as between client and attorney, and embody, if necessary, a request for a brief reply by telegraph. The fee partly pays for the trouble encountered, and the confidential relation makes the attorney or bank entirely immune from liability to the concern inquired about; furthermore, the acceptor of the fee becomes responsible to the house for reliable information, with the result that a complete, trustworthy and unbiased report will be forthcoming.

We have favored this one class of risks in this article because it is the more perplexing one, for on future orders sufficient time for investigation is had, while on established concerns reports are more easily obtained, though the principles set forth will be found applicable also to the second classification.

It is well to bear in mind that money spent to gain a knowledge of the facts is well spent, and it is better to be safe than sorry.

## COLLECTIONS AND HOW TO HANDLE THEM.

By A. R. MARKLE, COLUMBUS CHAIN COMPANY, COLUMBUS, OHIO.

*(At the last annual convention of the National Association of Credit Men, the writer of this article was awarded third prize for general excellence of his contribution on this topic.)*

Every one agrees that collections must have vigilant attention. In the days of fifty years ago, when payment was made on account and prompt settlements were not urged, it frequently happened that the merchant felt compelled to sell out in order to get his customers to pay their accounts.

A firm that has an average of \$30,000 in past due accounts on its books has a leakage equivalent to an interest payment of \$150 per month in addition to the chances for loss on accounts that are permitted to grow old.

One way of viewing the subject is to separate it into three divisions—

THE PURPOSE.

THE MAN.

THE SYSTEM.

The paramount purpose in treating collections is to get the money and retain the customer. If reasonable precaution was taken in extending credit it is no great task merely to get the money. Like squeezing the juice out of a lemon, all you have to do is to press hard enough. But with this treatment you may not get a second chance. It is not often there is much money in the first order. It is subsequent business which is secured with small effort that yields a profit.

Shall we then let the customer pay when he feels like it? By no means. There is a way of bringing him to time but it has to be learned. There is, however, no trick in it. It is rather the result of attention to detail and a liberal use of good common sense. It requires that friendly but firm spirit that makes it understood that the day the account falls due it is to be paid. It is the power to impress the feeling that your account when due must be treated like a note at bank—either met or renewed.

We find out when we try to make collections that to be successful we have to put ourselves into the work, with the ability to exercise human sympathy where it is due and to spot the rogue when he appears.

This brings us to the second subject of our consideration—

THE MAN.

It is discouraging to spend effort to get a customer and then have some one in the office offend him by a sharp letter or some offensive remark about his account and drive him away. Business men are beginning to realize the necessity of a high-grade man to do their collecting. He should be a man of good judgment, for while one customer will be offended by the mere receipt of a statement, it will have no more effect on another than pouring water on a duck's back. The cheerful and friendly spirit is the one to be cultivated. Patience and a careful control of the temper are cardinal virtues.

Many people have courage to write a scorching letter, but if they were to talk to the customer personally they would express themselves in a different manner. The collector should be broad enough to say nothing in a letter that he would not look into the eyes of his customer and tell him. This does not mean that he should be mushy and endeavor to varnish an unpleasant duty with a lot of excuses or apologies. Sometimes he may have to call a spade a spade, and when there is occasion for it the customer will think better of him if he will come out in the open and make his purpose plain.

The collector should be brief. He should have the ability to tell his story in a few words and stop. His message should stand out clear and distinct and not be clouded with long introductory or closing expressions which have little meaning and do nothing but divert attention from the real subject. He should be punctual himself. He should ask for the money the day it is due. Failing to get a reply he should follow it up promptly. His success is largely a matter of education with his trade. It is natural for us to say, "We must pay Smith on the day his account is due, for he will expect it; but as for Jones, he is in no hurry, let him wait."

Summing it up, the virtues of the collection manager are common sense, judgment, sympathy, brevity, punctuality, and ability to give a soft answer that turneth away wrath. Having these qualifications as nearly as possible, he must have a method of following up his work that we will speak of as—

#### THE SYSTEM.

The collection manager is generally a busy man and if he is to be successful he must have his accounts so arranged that they cannot be overlooked and that he shall also not ask for an account after it has been paid. The first requisite to the system is simplicity. If the man who keeps the books does the collecting, all he needs is a proper arrangement of his ledger and a convenient file for letter copies pertaining to his open accounts. If he does not keep the ledger himself he should have a list of the statements at the first of each month, with names, dates and amounts. All remittances should pass through his hands and as the accounts are paid they can be checked off. Those remaining will be the object of his attention. He should fasten together all copies of letters written and answers received pertaining to each account, and have them in easy reach so that he can review all that has been said about any account at a moment's notice. When the account is paid this correspondence should go to the permanent file or be destroyed, in order that only live matter may be kept in the open file.

Collection by note, sight draft, personal visit, telegram, or other expedient, all have their places, but lack of space will not permit of their discussion here.

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#### Keeping Credit Information Fresh.

The members generally have evidently been reading the prize essays on credit department topics being presented in the current BULLETIN issues. One of our most successful credit managers has the point to offer that in the articles regarding handling new accounts enough is not made of the traveling salesman as a means of keeping credit information thoroughly alive. He offers a copy of a letter sent last month to all his salesmen calculated to impress them with a complete sense of their duty toward their house in keeping it away from dangerous accounts. The letter, which goes at the matter in no roundabout fashion, will be suggestive to all credit workers. It says:

"We desire to call the attention of our salesmen to some facts in connection with one of the most important departments of our business, namely, that relating to credits.

"Unless our losses can be kept at the minimum amount, the net profit will be scarcely enough to cover interest on the money invested.

"The class of people largely sold by the plumbing supply house are those having either a very small credit rating or none at all,



Bradstreet's Commercial Agency, in a pamphlet entitled 'A Record, not a Prospectus,' stated that in 1909, out of 13,423 failures, 12,333 were by parties having \$5,000 or less capital on which to transact business, or more than 91 per cent. of the total of those failing. The same authority also states that 'tendencies present within the individual himself are responsible for four-fifths of all failures.' These tendencies can be observed by you as a salesman, and if our credit department can be advised at once, the facts can be made a part of our record, with the result that we may be prevented from extending too large a line of credit.

"As you know, a large number of your customers have no credit rating in Bradstreet's or Dun's books, and yet they are men of honesty and capacity and we are safe in extending credit. We desire, however, to keep a much closer tab on the moral risk involved and to that end request you to report when you find a customer—

"Neglecting his business,

"Living in excess of his income,

"Drinking,

"Speculating,

"Enjoying automobiles too freely,

or doing anything which may impair his standing with us.

"If we have your sincere co-operation, we believe our losses can be reduced."

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#### **S. J. Whitlock of Chicago on the Investigation and Prosecution of Fraudulent Failures.**

In retiring from the presidency of the Chicago Association of Credit Men, in which position he has served his fellows during two terms, S. J. Whitlock presented his observations regarding commercial fraud conditions, which subject very properly is occupying much attention among credit men right now. Mr. Whitlock said in part:

"Investigation and prosecution naturally go hand in hand, but in the usual discussion of this subject, the prosecution feature is given the greater prominence. Without wishing in the least to detract from the importance of prosecution, I feel convinced that as an abstract proposition, and as bearing upon the question of disclosing and preventing fraud in its inception, the investigation branch of the subject is deserving of more attention and study than it has received. Investigation usually precedes prosecution, and is essential thereto, but even apart from the question of prosecution, a properly and timely conducted investigation has the promise of far-reaching results.

"In the first place, the expense in comparison is a small item. In the next place, the benefits are immediate and direct. Investigation in the sense which I especially have in mind, is aimed to prevent the consummation of a fraud and its consequent loss to creditors, rather than the punishment of fraud already committed.

"Emphasis has been placed upon the advantages of bureaus for the interchange of information, and no doubt they are serving an excellent purpose, but they deal almost entirely with trade that is honest and in which the element of fraud does not enter. In the cases I refer to, the real facts are carefully hidden beyond the reach of commercial agencies and the means usually employed to verify the facts and figures. These cases require entirely different and special treatment, and as stated, the kind of an investigation necessary is not only less expensive and involves

less risk but yields immediate benefit to the credit man and the merchant, because it nips in the bud a fraudulent scheme by preventing the opening of an account altogether, or by curtailing credit on an account already open.

"Many of us have noticed the prevalence of fraudulent failures in the general merchandise line. A basis for credit is first established through a fair rating and report by the commercial agencies, supported by a showing that wards off further inquiry along the usual lines. The benefit of this rating and report is thereupon used, not in one line, but in the purchase of every conceivable kind of merchandise, which is then handled under the guise of 'jobbing.'

"These observations are the result, in a large measure, of curiosity on the speaker's part to follow a certain trail that was picked up some months ago. A certain individual here in the city became the object of my interest through his identification with the organization of corporations, and the interest he had in various partnerships, besides the numerous trade names employed in starting or carrying on a general jobbing business. The enterprises invariably failed either by compromising with creditors or through bankruptcy, though he usually managed to get out before the receiver got in. In other words, although this individual was clearly the moving spirit he cleverly managed so that his name was not responsible, nor was he so closely connected when the failure came that he could personally be held responsible either morally or financially. Hence the usual commercial report was not a sufficient warning to the credit man so that the scheme could be worked over and over again.

"My investigation of this case showed not only the above facts, but convinced me that this individual was actually and in fact conducting a clearing house for commercial failures, all of which were more or less tainted with fraud. A part of this scheme was to establish stores at different locations throughout the city, using some trade name, or the name of some individual as a dummy. Small merchants who had little moral or financial backbone were sought out and induced to make a quick sale for cash; the stock would then be quickly mingled with what was on hand already at the main headquarters and the debtor would conveniently absent himself. Even the man's brother was used successfully in this scheme. After organizing a corporation and getting a fair standing for credit, ostensibly in the business of manufacturing window shades, he branched out into the same general jobbing line, buying any kind of merchandise that could be secured on credit. In a few months' time, a friendly petition in bankruptcy was filed, and not more than a few hundred dollars' worth of merchandise was located, while there were close to three hundred creditors, with a large aggregate indebtedness, and he, the real factor, successfully cleared ready to start in over again.

"This original business was undoubtedly fast heading up to a failure of some proportions, and to facilitate this plan and yet leave the individuals unscathed a corporation was formed. At this point, however, the investigation, which had been quietly conducted, began to tell, the parties themselves admitting that they would have to abandon the jobbing business because the disclosures made had resulted in cutting off the lines of credit they depended upon. It was only a few days thereafter that bankruptcy ensued.

"Instead of the usual lengthy list of creditors, however, the case showed a comparatively small number and limited liabilities. This quiet investigation disclosed without much difficulty from whom credit was being obtained, and it required only a tip to make careful inquiry to head off extended credit. This investigation, moreover, disclosed what amounted to a chain of cases that were entirely the proper subject for

like investigation. That this is a fertile field for the activities of our association is apparent. Not only do the lines affected cover almost the entire field of our membership, thus distributing the benefits to a larger percentage, but the comparative expense, and likewise the comparative ease with which the information gained could be utilized, are points well worth taking into account. This, of course, is without reference to the fact that prosecution could easily be resorted to, if the facts warranted, and thus a double purpose would be served.

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## **BUSINESS LITERATURE—HOW TO MAKE IT PRODUCE LARGE RESULTS.**

BY M. T. FRISBIE, ADVERTISING MANAGER, L. C. SMITH & BROS. TYPEWRITER Co., SYRACUSE, N. Y.

The day of the commercial traveler who gets business by telling stories, cracking jokes and clowning has gone by. You expect your house representative to be clean, keen, attractive and direct.

Your business literature should represent the house with the same qualities as your salesmen. It must be alive, interesting and snappy. Snappy does not mean frivolous. The advertising man has about as much right to be fresh or funny as the minister. He has a serious, important message to deliver and it must carry conviction or his mission has failed. The man who believes in his proposition through and through, who is so dead in earnest that he is willing, if necessary, to take off his coat and fight for a hearing will get a hearing and he won't have to fight for it.

That is the spirit in which business literature should be produced, and advertising matter produced in that spirit will get the business.

There are three forms of advertising matter which are essential to nearly every business house. The letter, the interest-creating circular, and the house catalogue. The first two are designed to lead to a request for the latter, and the catalogue itself is a salesmaker or serves as an assistant to the man who sells the goods.

No doubt the very best form of advertising is a personal demonstration by a live-wire salesman. Next to that is a heart-to-heart letter about your goods to a man or woman you know. But modern business has grown so big that the individual, personal letter is well nigh out of the question, and the form letter must be resorted to.

There is great danger in writing a form letter of losing the note of direct personal appeal that can be put into the individual letter. When I have to write a form letter about my typewriter I pick out in my mind some man or woman I know, who is representative of the class I want to reach and write a letter direct to him or her. And the letter is sure to be a better letter than one written without anybody in particular in mind.

Sending out form letters is something like shooting a broadside into a clump of bushes which you know shelters a covey of birds. But you must remember that out in the brush the prospective customer you are after is an individual, like as not an important individual with individual characteristics. Your letter must be designed to arouse *his* interest and bring *his* reply out of all that unknown crowd, and to get you into definite personal communication with

that one man or woman among many who is to be your future customer.

It must be brief. Rather ten pertinent words than five hundred of tedious description or "vain repetition." There is often a force in brevity that stops a man like a blow between the eyes. If you say too much, you are liable to satisfy his curiosity and deter him from wanting to hear more.

Center the letter in your typewritten page with wide margin all around. It will be long enough then.

Begin your form letter with "You" rather than "We."

Arthur Brisbane recently said: "If I should say to you that you had very interesting noses, you would all feel your nose, and look into the glass and read my editorial because it is *your* nose." So the recipient of your letter is interested in something that concerns *him* not you. Show him how he is concerned with what you have—not to say but to sell. And then stop when you are done—know when you are through. Tell him, so he will take it as a compliment, that you want very much to hear from him, and sign your name.

The waste basket doesn't yawn for form letters like that.

Now with regard to your circulars, folders and envelope stuffers. Like the form letter they should not tell too much. Centralize each one on some particular feature, some strong talking point of your goods and drive that point home. If you do that well you will make the reader want to know what are the other good features and what you have to say about them. That will bring his request for a catalogue.

These teasers, these interest-creators may be small, but should be like diamonds—much worth in little compass. Color is useful—an attractive cover page even for a four-page circular; so attractive that curiosity will be aroused with regard to what is inside. Don't waste words on the cover page or in the opening paragraphs of the text. An introduction isn't necessary. Begin with some definite statement about your goods that challenges the reader's attention. No danger after that but what he will read it through.

Make your argument simple, but don't by any chance adopt a patronizing air and give your possible customer an excuse for thinking that you are making an awful effort to write the stuff *down* to the level of his comprehension. The majority of goods offered for sale appeal to the average man or woman with fair average intelligence. Approach them on the level—their level, your level. Human nature is not so different. Put yourself in your prospective customer's place. Tell him as one man to another the thing that you honestly believe would interest you under similar conditions. It will interest him. Thus you will establish that intimate understanding which will make him both your customer and your friend.

These circulars should be clean, neat, attractively printed, but not necessarily elaborate or expensive. Save all that for the house catalogue. Don't give the impression before a price is quoted that your goods are beyond the reach of the average purse.

Some of the biggest patent medicine concerns attribute their success to the cheapest kind of literature, and say they would not dare risk the effect of expensively coated paper and real high-grade illustrations upon the class of people who patronize them most largely.

Little folders and circulars are the grape-shot of a campaign. You can scarcely issue too many of them. A *series* frequently has great cumulative effect. One of seven pieces which my concern issued, mailing them several days apart proved this very conclusively.

Returns for the first week were scattering, the second week somewhat increased, the third week a flood. Each successive circular augmented the curiosity of the recipient until a catalogue request was almost inevitable.

We also conducted a magazine advertising campaign along the same lines giving a sequence of arguments from month to month and later incorporated the series of magazine advertisements in a little book which did the good effective work all over again.

Suppose, now, that your mail brings a definite inquiry about your goods from a point so far distant that you cannot arrange for an immediate visit from one of your salesmen.

Every bona fide inquirer by mail is at once a prospective customer and should be so treated just as much as if he were actually in your store, pricing goods, examining their quality, considering their usefulness for his purpose.

The catalogue which you must now send him should answer all his questions. When a person gets to the point of writing for a catalogue the assumption is that he wants full information. The man who really intends to buy an automobile or a typewriter or anything else, wants to *know* all there is to know about it. Your letter of reply cannot be too fully descriptive or your catalogue too complete. He is ready to eat up information. It is up to you to feed it to him.

In producing your catalogue do not spare any expense necessary to show your goods or your products at their best. By the house catalogue, as by the salesman, customers judge the house.

The automobile manufacturers and some of the piano people are wise to this. They make their catalogue even far more expensive and ornate than is necessary to give their goods the best showing—their catalogues fairly reek with the smoke of burnt money. Why? Because what they have to sell is a luxury, going to people who, many times, measure the desirability of the pleasures they enjoy by their high cost. The small-change of luxury is as foreign to them as pennies are to the Pacific Coast. The gratifications of their pleasures must run into four figures.

So, I presume, the apparent waste of money in the automobile catalogues may, after all, be a good investment, but with the average proposition just enough expenditure to give your goods the best possible display is quite sufficient and any more would be superfluous.

But all items of information that you would want in purchasing similar goods of some one else's make, your own catalogue should contain. I believe, too, that the catalogue should quote the price, though this should be omitted from the other literature referred to unless, as in the case of the "Dollar Watch," for example, the price itself is an advertised trademark. The argument sometimes made against price quoting in catalogues by firms that sell entirely on signed orders secured by salesmen, is that the price *frightens* the customer before the salesman can get at him. Quote the price and make your catalogue so convincing that he would continue to want your goods though the price were even greater. Your catalogue must be well printed, and if illustrated, well illustrated. Get the printing and engraving done by people you know. Money saved by getting cheap printing and engraving is only money wasted. And the catalogue should be mailed flat, in a good envelope, in such a way as to arrive at its destination in good order—a credit to the firm that sends it.

Lastly, and above all, don't make a single statement in your letters, your circulars, or your house catalogue that the goods themselves will



not bear out in every particular. Strict and absolute honesty in describing your goods is vital to continued success in advertising. Quality counts. A reputation for goods exactly as advertised is worth more than unlimited credit at the bank.

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### ABUSE OF THE TERMS "2 OFF 10 DAYS" AND A SUGGESTED REMEDY.

BY WILLIS L. BROWNELL, OF CROCKER-WHEELER CO., AMPERE, N. J.

Terms of "2 off 10 days" quoted on thirty-day sales mean that the seller offers the purchaser a discount of 2 per cent. for a prepayment of twenty days; in other words, 36 per cent. per annum for the use of money. Taken as an independent proposition, it would seem ruinous for a business house to pay such a rate; yet, under the terms "2 off 10 days" in present practice, thousands of business men are paying 48, 60 and even 72 per cent. per annum for money, because of the abuse of the terms. When they allow 2 per cent. discount for payments in fifteen days, they pay 48 per cent., and when they allow it for payment in twenty days they pay 72 per cent.

When the rule of "2 off 10 days" was first instituted, it was not considered that it really meant paying the rate of 36 per cent. per annum for money, but simply that for payment in ten days the seller was willing to reduce his profit somewhat. If, on a cost of \$75 he sold at \$100, his gross profit was 33 1-3 per cent.; if he allowed 2 per cent. discount on the selling price, his profit was reduced to 30 2-3 per cent.—a reduction of profit equal to 2 per cent. on the selling price, or 2 2-3 per cent. on the cost. Again, with the institution of a 2 per cent. discount, many changed their price lists so that the allowance of 2 per cent. discount did not reduce the profit below the old standard, whereas, on sales to customers who did not discount, the profit was increased.

Thus, from the seller's standpoint the allowance "2 off 10 days" was not a loss but a gain if we allow that one-fourth say, of the amount of sales were discounted, on which the seller made the same profit as of old; and on the remaining three-fourths he realized more profit than before.

If the seller had not changed his price list, presuming that not over one-fourth in amount of his sales would be discounted, the institution of the 2 per cent. discount would in effect, simply have reduced his profit to one-half of 1 per cent. on the selling price, or two-thirds of 1 per cent. on the cost.

As to the purchaser, when the 2 per cent. discount was first instituted, it was not considered that he, when discounting purchases, was putting out money at 36 per cent. per annum, but simply buying goods for 2 per cent. less than before.

When the custom of "2 off 10 days" was first instituted, a general idea prevailed that its effect on the seller was simply a slight reduction of profit, and to the purchaser a reduction of 2 per cent. in cost. What followed? With the passing of time came competition, prices were cut repeatedly, cost not reduced proportionately, margin of profits became less and less, and still the rule of "2 off 10 days" prevailed; but not as at first did purchasers make payment in ten days, but took twelve, fifteen or twenty days under one pretense or another, claiming the 2 per cent. discount just the same. It became generally recognized that "2 off 10 days" was for cash discount; that it meant paying for the use of money

for a given time; that it meant a rate of 36 per cent. per annum. Cash discount was not considered a direct charge against sales—a reduction of profit on sales, but payment for the use of money; and an account called "Discount on Sales" was opened, also an account styled "Discount on Purchases." Thus, finally, it was generally recognized that "2 off 10 days" meant a price paid for the use of money on the one hand, and a price received for the use of the money, on the other. Many a business man boasted that he made as much on discounting purchases, often more, than he did on his sales.

Of late the terms "2 off 10 days" have become meaningless because of the general disregard of the time limit. Purchasers loath to lose the discount, though not making payment in ten days, when remitting deduct the ten-day discount. In such cases seldom does an explanation accompany the remittance, but if the tender is rejected, the purchaser offers various excuses, such as, "Delay was owing to an oversight"; "We paid as soon as goods were received, we object to paying before"; "Our system does not permit of having bills vouchered for payment in ten days," etc.

It hardly seems necessary to say that neither of these and many other excuses offered justify the disregard of the time limit agreed upon at the time of purchase. It is at the time of purchase that the purchaser should take exception to the time limit if it is not acceptable.

The practice of disregard of time and of the arbitrary exaction of discount has been encouraged by sellers who have deemed it "politic" to submit. The fallacies, "For policy's sake," "In order to keep friendly with our customers and hold their trade," "Others do it, we must," etc., blind many not only to the violation of the moral principle involved but to the extent and force of the exaction to which they submit.

Would a purchaser deem it "politic" to pay a supply house for more goods than were furnished? The old saying has it that "A bargain is a bargain." Why not "Terms, terms?" And why not live up to the true meaning? Of what use is the system if not recognized?

The writer believes that if this is given just consideration all fair-minded business men will, on the one hand, cease asking payment for the use of money beyond the time period its use is granted, and, on the other hand, refuse to pay for money for a longer period than they have the use of it.

Why cannot this matter be taken in hand so as to insure a square deal? It can, either by discontinuing cash discounts or by quoting them in such explicit terms and on such equitable lines that any attempt at violation will stand out clearly as deliberate and premeditated exaction. For instance, stick to the "2 off 10 days" if you will, the rate of 36 per cent. per annum, but quote in this way:

"Terms, net 30 days. A discount of one-tenth of 1 per cent. per day will be allowed for the actual number of days prepayment is made. This equals 2½ off 5 days, 2 off 10 days, 1½ off 15 days, etc."

Under such conditions the seller agrees to pay the purchaser for money for the exact time he has the use of it, the purchaser cannot reasonably ask more, under the same ruling that he would not submit to the demand of a seller for payment for more goods than furnished.

It should be noted that under the proposed terms, if for any reason it be inconvenient or undesirable for a purchaser to pay in ten days, he may take fifteen or twenty and still secure pro rata discount; whereas, under the terms "2 off 10 days" correctly interpreted, he would not be entitled to any discount after ten days from the date of the invoice.

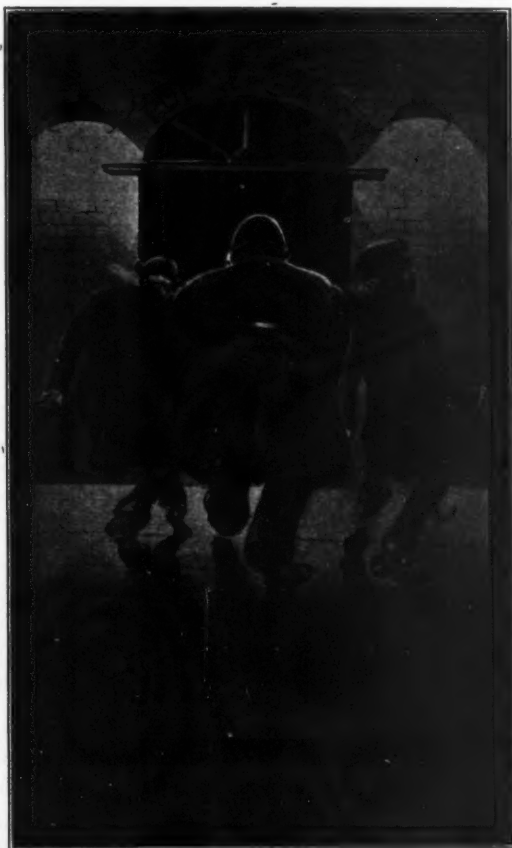
The terms quoted have been used by a large house for three years or more. Some believed that the attempt to enforce them would cause

offense to customers and result in loss of trade but such did not follow. During the first two months customers took exception, but when it was explained and the principle involved called to their attention, they ceased to object.

As to the general adoption of such terms, it may be argued that they do not apply to all lines of business. Such ground is not tenable, however, if it be conceded that cash discount is a price paid for the use of money, but in that case time is the essence, and by the same ruling that a buyer would not pay for more goods than he received, the seller should not be asked to pay for the use of money for a longer time than it is used.

Some may say all this is right in theory, yet for this, that or the other reason it would be impracticable to attempt to enforce it.

As offsetting this it can be said that after three years of experience and exact enforcement of the rule without deviation, has not only shown its practicability but has furnished a preponderance of evidence in support of the equity of its terms.



SOME SUCH HEROIC MEASURES MAY BE NECESSARY.

## OUR ATTITUDE TOWARD THE LAWS AND COURTS.

BY ARTHUR G. POWELL, JUDGE OF THE COURT OF APPEALS, ATLANTA, GA.

The judges and lawyers of this country are not deaf to the cry that the courts are not as efficient as they should be. All of us know and realize that the people are chafing under the results which we have attained in the effort to administer jurisprudence in the United States. I may digress to say, however, that this spirit of dissatisfaction is neither new-born nor local. In a greater or less degree it has existed so long as the memory of man runneth, and is as widespread as the zones. It is true, however, that from a mere statistical standpoint, American jurisprudence stands somewhat disparaged.

I do not think that it can be said that in the administration of civil matters we are guilty of any greater delay in the American courts (on the average) than is usual in the courts of most enlightened countries; though we must face the proposition that there is more crime in proportion to the population in the United States than there is in England, Germany and other countries standing on the same supposedly high plane that we do in the matter of civilization. This dissatisfaction, this spirit of restlessness, these disparaging statistics have led the reformer (that ever-present iconoclast known to all ages) to raise the demand that he be allowed to lay his ruthless hands upon our laws and our judicial systems.

Coming before you with the frank confession that the evil complained of is great, not palliating in the least degree the fact that we have a statistical ratio of crime that is appalling, I do stand here to urge the proposition that the situation does not demand the services of the reformer, but does require the strenuous effort of every conservative citizen in bringing to the support of the laws and the courts all that an enlightened, well-directed public sentiment can give.

If we are behind England in the administration of law and in the suppression of crime, it is not because our laws are inferior to hers. For the most part, the laws of the two countries are similar; ours, if anything, are the more progressive. The trouble lies elsewhere and I am bold enough to assert in this presence that it lies in the state of American public opinion.

I shall speak plainly: The reason that the people of these American states do not enforce laws; the reason that the ratio between conviction and crime is so small, is because in these American states we have neither sufficient private sentiment nor sufficient established public opinion in favor of upholding the law. It is not altogether unnatural that this should be so. We can appreciate this when we recall that most of us are the direct lineal descendants of men who but a few generations ago fled to this country in protest against the tyrannies of the law—the Huguenots, the Salzburgers, the Quakers, the Jews, the Puritans, the debtors liberated from prison, the ticket-of-leave men, and what not,

Despite our boast of a high state of civilization, the plain, unvarnished truth is that we are, from reasons of heredity or otherwise, not a people who are willing to obey the law as it is written. I know of no criminal law, from murder down to the lowest misdemeanor, as to which there is a universal sentiment in favor of its enforcement; nor is there such a state of public opinion as to enforce any law in all cases.

I can already feel that some of you are saying to yourselves that it is true perhaps in some parts of Georgia that such laws as the prohibition law and similar regulations have not sufficient public sentiment behind them to give them adequate enforcement, but that this does not extend to the higher crimes. Recently, I was on

a railroad train returning to the city, when an acquaintance of mine coolly, calmly and unhesitatingly stated to me, as a mere matter of conversation, that he had participated in a transaction which under the law undoubtedly was nothing less than murder; and yet, if the very transaction which he related were proven against him in every detail, it is doubtful that the grand jury of his county would indict him, and it is hardly to be thought of that any petit jury would convict him. He is perfectly safe in admitting his guilt of this murder. He and four other men went to the county jail, took a negro therefrom, tied him to a tree and shot him to death, because he had brutally killed a white man. "Ah!" I hear you say, "we are not speaking of lynchings." But according to the law as it is written, lynchings are nothing less than murder; and my statement was that we enforce the law of murder only so far as the public sentiment of the community supports the law. In some communities of Georgia and of other states, public sentiment does uphold the law of murder to the extent of applying it to the cases of lynchings; and in the communities where that sentiment exists the law is enforced.

Our law of murder and the British law of murder are substantially the same in letter and effect. In England a man who was guilty of lynching would be convicted. In some parts of the United States he would not. And what is true as to the crime of murder is practically true as to every other criminal statute on the books. The one country lacks sentiment in favor of law, the other does not; and this discloses the chief reason why the ratio between conviction and crime is so low in the American states as compared with England.

The cry of the reformer is, tear down technicalities, as they are called; change the law; change the organization of the courts; dispatch cases with haste and without regard to procedure; let public sentiment unchained by that formality of procedure which is designed to compel careful thinking and deliberate action be swept aside. Do you believe that when this is done we shall have a better quality of justice, or any surer enforcement of the laws? No, here is the point. Our law itself; all of our court procedure; our systems of administering justice are not the result of man's creative ingenuity. The laws under which we live to-day are the product of that spirit of natural evolution which characterizes the progress of the universe, just as truly as is any other natural phenomenon I might name. Man's laws have not been made by man's conscious effort; they have grown up along with him; have been evolved spontaneously along with his other activities, just as have his social state, his language, his amenities of polite society, and similar things.

Indeed, upon the face of the law, evolution has left its footprints more indelibly stamped than it has upon the rocks, upon man's physical being, or upon the flora and fauna that covers the earth. I could take any one of you into a complete law library and let you look upon the labels on the backs of the law books and you could see, from a comparative study even of the labels on the books, a complete manifestation of those essential elements, in the terms of which every scientist has defined the word "evolution."

Law is simply a relation; and, in correct contemplation, even in the absence of any legislative declaration and in the absence of any court decision on the subject, there is now and ever has been a rule of law governing the results flowing from every act of man, and defining the status of every person in the world as related to the rest of mankind and their property. The written law—the acts



of the legislatures—is merely the effort to record what the law is, just as men drive down stakes, or establish buoys and beacons to show the mariner the course of the stream. And if all the acts of the legislatures could be placed in one pile and all the known law in another, the one would be as a molehill beside a mountain.

The reformer, and especially the unskilled reformer, can no more improve our law by any drastic onslaught upon its slowly and carefully evolved principles than could you or I improve one of the magnificent operas by cutting out some part which happened not to appeal to our particular taste. The law and all its parts are even more closely interwoven and connected than the orchestration, the song and the theme in the opera.

The other night when I heard "Aida" performed, some one accidentally dropped upon the stage a piece of cloth, probably a ribbon from one of the bouquets. It fell just where one of the ballet girls was soon to dance and the audience watched her dancing over it, with the danger of her being tripped by it at any moment, and many wondered why she did not stoop, and pick it up and throw it aside. Ah! she knew better. Before the curtain ever rose she knew that at certain beats of the instruments in the orchestra this toe should be here and that toe there, and that upon her every movement depended the corresponding movements of the hundred others who were carrying on the beautiful spectacle that was being presented. If she had stopped even for a moment, the whole harmony of the work, the entire concert of action would have been imperiled. Only Caruso could stop to kick a helmet off the stage when it got in his way. Just so, none but the masters should dare attempt to improve our law. The opera of human jurisprudence was written by hands divine, and,

"God's plans like lilies pure and white unfold,  
We must not tear the close shut leaves apart,  
Time will reveal the calyxes of gold."

The trouble with our law is not in the law itself. I may recur to the figure of the opera, for at present it is a familiar one in Atlanta. The trouble is that we are trying to execute upon the stage of life here in these American states an operatic work planned by a hand divine, but we are trying to execute it with poor performers and with disobedient helpers on the stage. You cannot have good opera without the highest talent for the leading parts and without literal obedience on the part of all who help produce the play.

How have we selected the stars for this performance? How have we selected our judges; for they carry on the star parts? Have we gone about it as Hammerstein or Conreid would have done? To speak without figure, do we select our judges for merit alone? Do we require of them that skillful training which their position demands? Do we attach to judicial positions salaries adequate to demand the highest talent? You may be unwilling to give a candid answer for fear of giving offense but I stand in such a position that I can afford to say that you know that we do not select judges for merit alone; that political matters count too largely in their selection; that the best lawyers of the country are not upon the bench, and that neither the United States nor any of the individual states that compose it, pay such salaries as to command the best talent in the legal profession.

In Georgia we have some good judges. Yes, I can truthfully say that we have had many good judges; but we have not had what we

should have had or what we could have had if the state had adopted a different attitude toward their selection and compensation.

As business men (for the business men of the country are most deeply concerned in the integrity of the laws of the country), it is your duty to yourselves and to your state to aid in the cultivation not only of a sentiment in favor of obedience to the laws, but also in favor of a state of public opinion that will demand for the benches of our courts the very highest and best-trained talent, whatever be the financial cost.

Is there a business man, is there a corporation in all this land which would confer upon an employee such discretion at such a low rate of pay as the American states confer upon their judges at their rates of salaries?

The British respect for law is proverbial. British enforcement of the law is notably high and praiseworthy. In England not only is there a larger cultivation of public opinion in favor of private obedience to the law, in favor of upholding and supporting the laws in their entirety, but their judges are selected with greatest care and are paid with a liberality that no American state has ever approached. In England a judge is nominally appointed by the Crown. But this is only nominally so. Years before a man ever goes upon the bench, there is already surrounding him a general understanding that some day he is to serve as a judge. The British have a great way of accomplishing things by common consent and by sentiment. Just so, whenever a member of the legal profession shows special proficiency, his fellows, without the spoken word being said, let it generally be known; and there comes to him from a source above, generally through the bench, speaking by the tacit consent of the Crown, that if he will specially prepare himself, he will some day be elevated to the bench. *And he prepares himself.* He holds himself as cautiously aloof from anything that would contaminate his record as if he were a woman shielding her chastity. And when the day comes that he takes his seat upon the bench, he takes it with a title and with an acquired social standing of a height and dignity obtainable through no other profession; and beyond that, he is paid a salary that compensates for the quality of services which is required of him.

The lowest judicial salary in England is £5,000—\$25,000 per year—and, from that figure, it ranges upward. The British judges are masters, are artists in their profession; but they are encouraged to become so, and are paid for their talent.

In America we have men of just as great intellectuality as those in England, men capable of becoming just as great judges; and if we so required it, if we were willing to pay for it, if we would support it with our money and our public sentiment, we could have just as magnificent a judicial system in America as they have in England. Yes, I will go further and say that handicapped as the American judges have been by the fact that public sentiment has not supported the law as it should have done; by the fact that we are a new and unsettled people; by the fact that the method of selection has not been the best; by the fact that they have been underpaid—I say that the American judges, thus handicapped, have erected on this side of the ocean a system of jurisprudence that has caused the thinking men in the old world, where such things are studied, to marvel at the results.

One of the highest tributes ever paid to the American judges was when a great statesman who came from across the water to study the American people and their wonderful achievements, deliberately gave to the world the statement that the American judiciary has been the one thing that has saved the American people from themselves.

I do not mean to say that we cannot make improvements in our statutes, or that the legislatures cannot give us some better laws, or that we cannot contrive by this expedient or that (by improvements in our machinery, so to speak), to get better results, but what I have come here to say to you business men this evening is that you will never reach the evil which is now attracting the attention of the American people and which has long attracted the attention of our courts, until you build up that invisible, puissant potentiality, essential to the proper administration of the law, namely, proper public opinion.

And take this in conclusion: Don't be led astray by this hue and cry, in the newspaper and magazine, against what is called technicalities. The business man's interests are peculiarly inimical to the plans of the would-be reformers. What do they mean by technicalities?

Catch this point: When a judge is called upon to decide any case or question, he must decide it in one of two ways—either by a fixed law which he has no power to vary, or without the fixed law. The fixed law which the judge must follow, whether he will or no, is what is commonly called technicality. The right of the judge to vary the general rule or to make a rule according to the exigencies of the particular case is called judicial discretion. Thus, the law known as the statute of frauds, provides that all contracts for the sale of goods above a certain amount in value shall be evidenced in writing. A case arises over such a contract orally made. In the particular case, the dictates of abstract justice may seem to call for a relaxation of the law. If the judge must follow the law, if he has no discretion to vary the general rule to fit the particular case, the person who made the oral contract escapes from its obligation by what is commonly called a technicality.

Or say, an honest old farmer is swindled into giving his negotiable promissory note to some slick-tongued sharper, who in turn discounts it to an innocent holder. If the court forces the honest old farmer to pay that note, when he is sued upon it—not because the judge fails to feel that in abstract justice the defendant ought not to have to pay it, but because the judge has not the judicial discretion to vary the law which forbids defenses against innocent holders of commercial paper—the old farmer and his friends cry out that he has been robbed by one of the court's technicalities.

Thus you can see that there is a true dilemma. That we must accept either technicality or judicial discretion. Where one begins the other ends, and vice versa.

Now to one who has never gone deeply into the subject it might seem that the best way to try cases would be to give to the judge (or, what is the same thing in principle, to the jury) the discretion of varying the fixed law, and of doing away with technicalities when they come into conflict with the plain justice of the case. But remember that a law which is not fixed and invariable is not a law, but is merely the persuasive utterance of some law-giving body; that if the judge can refuse to follow it in one case, he can refuse to follow it in another—and when he will. If the judge were always an infallible arbiter of justice, if he never made mistakes of head or heart, if he never felt the bias of friendship or the warp of political influence; and if *all* judges were thus high minded and honest and possessed such wisdom as to know the plain justice of all cases, then we might safely trust them to administer our disputes by their judicial discretions and without the restraints of invariable law—without the restraints of technicalities, if you wish so to call it. But judges are human; and individual notions of justice are wide apart.

And now let me put the direct question to our business men—to

you who have sold your goods (yet to be paid for) all over the land, and whose wealth is thus as widely scattered as were the argosies of Antonio in the *Merchant of Venice*. Should one of your customers fail to pay you what he owes you, which will you choose—technicality, as I have defined it, or the opposite, which is judicial discretion? Do you prefer that the courts shall be held in such a narrow path of fixed law that your attorney here in Atlanta can look into the facts of the case and can advise you in advance what the final outcome of the case must be; or do you prefer that the case should be decided in accordance with what the local judge (perhaps hundreds of miles away from you; perhaps a candidate for re-election to his same office or for election to some other, with your adversary as one of the voters in the election) whose wisdom and whose conscience you do not know and cannot measure—I say, do you prefer to leave your case to be decided according to the discretion of this judge (or of a jury of the defendant's neighbors) untrammelled by fixed law which he cannot vary? The choice cannot be put aside. You must choose between law fixed and (so far as human ingenuity makes possible) known in advance (and this is technicality), and judicial discretion, which means the untrammelled judgment, wish and will of every judge in the state; for if one judge may vary the law, all others of the same class must possess the same power. Judges always have had and always will have more or less discretion in relation to some phases of court procedure; but it would be unwise to extend the present limits of that discretion until we elevate our judicial standards.

You agree with me. Of necessity you do. We both wish to uphold the law as it is written. And we all see, then, the importance of exerting ourselves to the building up of a better state of private and public opinion in favor of enforcing the law and also in favor of supporting the courts. Since courts must have discretion in some matters, we unite in the demand that our judicial standards shall be elevated, that our judges shall be placed in such positions of personal, financial and political independence as to remove the temptations from those that are weak and to attract to the bench those that are strong.

My earnest prayer for us of the bench is:

"God give us men:

Men whom the lust of office cannot kill;  
Men whom the spoils of office cannot buy;  
Men who have opinions and a will;  
Men who have honor; men who will not lie;  
Men who can stand before a demagogue  
And damn his treach'rous flatteries without winking;  
Tall men, sun-crowned, who live above the fog  
In private duty, and in public thinking."

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If members would call the attention of their business friends to the advantages of the Association and keep doing so, they would find many such friends could not only be interested but would eagerly grasp at the chance to have such advantages as the Association offers in their own business. Don't neglect a chance to interest a non-member house in our work for better credit conditions. Our Association is the only great national force specializing in this line and its success means a greater, safer, stronger commercial America. Act now and all the time.

## Opinions on Points Brought Before the Legal Bureau.

Here are presented a few questions of general interest referred during the past month to the Legal Bureau of the Association. The bureau is for the use of the entire membership without charge.

### I.

#### PROPOSITION.

An Ohio corporation, which has been receiving for a number of years from the Auditor-General's Department of Pennsylvania, blanks for reporting to establish a basis of taxation, asks if it is liable under the foreign corporations law in that state to taxation or fees. The conditions under which it sells in Pennsylvania are that traveling salesmen cover the state but the goods are all shipped from the Ohio point. An office is maintained in Pennsylvania and one representative living in Pittsburgh, rents a room used only for sample purposes.

#### OPINION.

Under the Pennsylvania law, in respect to foreign corporations, it has been held by the case *in re Hovey*, 198 Pa. State, page 385, that a foreign corporation may maintain an agency in Pennsylvania, pay the rent of an agent's office and through him solicit orders which are filled by the home office, if approved, and the corporation will not be regarded as doing such business as is prohibited by the statute.

Should the agent, however, make a sale not subject to the approval of the home office so that the transaction would be complete within the state, in all probability the transaction would come within the prohibition of the statute and not within the exception allowed to interstate commerce.

### II.

#### PROPOSITION.

A party living in Arkansas and doing business in that state, desiring to secure credit from an Ohio concern, offers to give a guarantee signed by his wife. Would such guarantee be of any value?

#### OPINION.

It has been decided by the highest court in Arkansas that under the "Married Woman's Act" of that state a married woman may mortgage or sell her property to pay her husband's debts. *Scott vs. Ward*, 35 Ark., 480, and *Goldsmith vs. Lewine*, 70 Ark., 516. Undoubtedly a guarantee signed by a wife would be valid under the authority of these decisions.

A married woman in Arkansas may deal with her own separate property as she pleases but may not enter into a partnership with her husband.

### III.

#### PROPOSITION.

*First.*—If goods sold under a conditional sale contract and neither insured by purchaser nor vendor, are consumed by fire, can vendor sue the purchaser for the balance due just as he can on an open account, with the good chance of having the suit sustained?

*Second.*—If goods are sold on a conditional sale contract, part are consumed by fire and insurance thereon is collected by purchaser, can the vendor recover from the purchaser?



*Third.*—Can a vendor who sold goods to a purchaser on a conditional sale contract, bring suit and have suit sustained for the balance due, the same as on an open account, when it is not possible for him to identify the goods, vendor not desiring to assume the responsibility of recovering the goods by replevin because he is in doubt as to whether he can identify them or not?

*Fourth.*—Can vendor under a conditional sale contract treat the matter as a lease contract or an open account at his (the vendor's) option?

If purchaser under above conditions sells to a third party without the consent of the vendor, is the third party liable jointly with purchaser under same conditions and to the same extent.

#### OPINION.

Where goods are sold under a conditional bill of sale, title to remain in the vendor until payment in full has been made, and the goods are destroyed by fire before the payment is made, there being no insurance on the goods, it has been held in some jurisdictions that title not having passed the vendor must stand the loss. In probably the majority of states, however, the loss has been put upon the purchaser on the ground that he is possessed with all of the incidents of ownership except the title. If the purchaser had insured the goods and collected the insurance it might be possible to recover from him the insurance money in those jurisdictions where the loss is thrown on the vendor, on the theory that he acted as the vendor's agent in insuring the property and in collecting the money paid on the loss, but if this could not be done, the fact that insurance had been obtained would make no difference from a legal standpoint.

When goods are sold under a conditional bill of sale, title to remain in the vendor until purchase price has been paid, upon default in payment the vendor may do either one of two things: He may consider the sale as it was originally intended, a conditional bill of sale, and take back his goods; or he may treat it as an absolute sale and sue to recover back the full purchase price of the goods, in which case title to the property will pass to the purchaser.

In those states, however, having a provision in their laws for the filing and recording of bills of sale, if the bill of sale is properly recorded a third party buying the property from the purchaser under a conditional bill of sale will acquire no title to the property and will have to give it up to the original vendor under the bill of sale; but if the bill of sale is not properly recorded such third party will acquire good title to it. There are, however, decisions the other way.

In those states which have no statute on the subject in probably the majority of instances it has been held that provided there is no negligence or laches on the part of the vendor under a bill of sale that a third party buying the property from the purchaser gets no title to it and that the vendor may recover it from him if he so desires. This on the ground that no man can sell what he has not got and give a good title to it. There are, however, decisions the other way.

#### IV.

##### PROPOSITION.

A depositor in a bank owes the latter a certain sum of money. His deposits are not sufficient to liquidate this indebtedness but he receives, at a certain time, remittances large enough to meet his banking obliga-

tions. He desires, however, to meet other pressing obligations. Remittances are deposited to his account in the bank through a verbal understanding with the bank that he will be allowed to check against the new deposits and liquidate pressing merchandise bills. On this understanding he checks against the deposits and checks are thrown back marked "Not sufficient funds." Has the depositor any redress against the bank for this action?

#### OPINION.

A bank may, as a rule, apply the deposits of a customer to the payment of a debt which the customer owes to the bank provided the debt is due at the time of the application.

The bank may not do this, however, if the deposit has been made for a special purpose to which the bank has consented.

It would seem that a verbal contract between a customer and a bank that checks should be deposited by the customer and drawn against to pay certain pressing merchandise bills would be a good agreement, and upon failure of the bank to carry it out the bank would be liable in damages for breach of contract.

The subject is discussed and numerous cases cited in Volume 5, *Cyclopedia of Law and Procedure*, 550 to 553.

#### V.

##### PROPOSITION.

Can a chattel mortgage be taken on merchandise in the state of New York or on fixtures only, and if on the former what, if any, are the conditions?

#### OPINION.

The highest court of the state of New York has held that a chattel mortgage given by a person on his stock in trade under the terms of which the mortgagor may sell the stock for his own benefit, or in other words, continue conducting his business of selling his stock, is void as against creditors. *Skilton vs. Codington*, 185 N. Y., 80. Such a chattel mortgage would be good, however, if it contained an agreement that the mortgagor should continue to conduct his business and sell the mortgaged property, but hold and pay over all of the proceeds of any sales to the mortgagee for the purpose of reducing the mortgage. *Briggs vs. Gelm*, 122 App. Div., 102.

#### VI.

##### PROPOSITION.

Can a party who orders goods for future delivery force a house receiving and confirming the order to ship goods upon the terms agreed upon and written in the confirmation?

#### OPINION.

If a customer orders goods from a manufacturer and the order states the price, time of delivery, and the time of payment, and the order is accepted by the manufacturer and sixty days' credit given pursuant to the terms of the order and acceptance, a good contract is made and the manufacturer cannot afterwards refuse to make delivery of the goods unless payment is made at the time of delivery, even though

he offer a discount for immediate payment, without making himself liable in damages to the purchaser for breach of contract.

## VII.

The following clauses, occasionally used in notes, are not uniformly available for use throughout the United States: "And all costs and ten per centum commissions for collecting the same, and I, we or either of us, whether makers, sureties or endorsers, hereby confess judgment to be entered by the proper official, at any time after maturity for the amount then due hereunder, with all exemptions waived."

This is due partly to the fact that the negotiable instrument law has been adopted only in Alabama, Arizona, Colorado, Connecticut, District of Columbia, Florida, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

Under the negotiable instrument law the negotiability of a note is not destroyed when it contains a clause that the same shall be paid with exchange, or a clause providing for the costs of collection or an attorney's fee in case payment shall not be made at maturity, or authorizing a confession of judgment, if the instrument be not paid at maturity, or waiving the benefit of any exemption laws. In all of these states the clauses above referred to, with the exception of the provision for fees for collection and the exemption waiver, would be good. The provision for collection fees would be good provided we add after the asterisk (\*) the words "In case the same is not paid at maturity."

In regard to the waiver of exemptions and confession of judgment some state laws provide that these may only be done by an instrument in writing, duly acknowledged, and in many states waivers of exemption must be consented to by the wife of the debtor, if he have one, and a certain form of acknowledgment attached to her waiver. In states having such rules waivers or confessions in a note would not be effective, although the note would still retain its negotiability.

## VIII.

### PROPOSITION.

In the early part of 1910 a party files a petition in voluntary bankruptcy. He has several insurance policies, in all of which he reserved the privilege of changing the beneficiary as he desired. These policies were originally made payable to his estate. In about the year 1906 he changed these policies, making his wife the beneficiary, without any mention being made of this privilege which he reserved. In other words, he did not make her a permanent beneficiary at the time. Two of these policies, namely, in the John Hancock Life Insurance Co., have a cash surrender value. Two policies in the New York Life Insurance Co., one of them being about eleven years old, the other eight, have no cash surrender value—simply a loan value. Can the trustee of this bankrupt claim any and all of these policies as part of his estate? Is or is it not necessary for the wife to become a party to the note on any loans made against above?

### OPINION.

1st. Unless the wording of the papers executed in the year 1906,

whereby the beneficiary was changed to his wife, is peculiar, the mere changing of the beneficiary to her would not exhaust the right; therefore, at the time of the filing of the bankruptcy petition, these policies were still "property which, prior to the filing of the petition, he could by [any] some means have transferred."

2d. If it turns out, however, that the change of beneficiary to the wife was made for a valuable consideration, then, even though the papers do not express on their face this valuable consideration, her rights could not be defeated by the bankruptcy, since, in this particular, the trustee "stands in the bankrupt's shoes."

3d. If it be claimed that the change of the beneficiary to the wife was for a valuable consideration, but the facts were that it was a fraudulent scheme, then, of course, it would stand as if there were no consideration for the change of beneficiary, and the trustee would take the property.

4th. Whether there be a cash surrender value expressed on the face of the policy or not, the policy would pass to the trustee (subject to the above conditions) for what it was worth, and the trustee could sell it for what he could get.

5th. In any event the bankrupt would have a right to "redeem" the policy by paying or securing payment to the trustee of the cash surrender value of the policy; whether such cash surrender value be expressed on the face of the policy or be simply the usual and customary value allowed by the company or payable upon the market.

6th. If by the state law the policy would be exempt to the bankrupt, of course, again, it would not pass to the trustee.

7th. As to the necessity of the wife's signing the note, much would depend on the written contract of the company, contained in the policy, on the subject of loans. Even though the wife might not have any "vested interest" in such a policy (where the right to change the beneficiary at will is reserved), yet the company might make the loan conditional on her signing the note with her husband.

Thus, it is easily seen, many other facts than those meagerly stated in the inquiry might have bearing on the final answer.

## IX.

### PROPOSITION.

Has the referee in bankruptcy a right to require prepayment by creditors of 25 cents for each claim filed?

### OPINION.

This is a much-mooted question. Although there is something to be said on the other side of the question, yet our opinion is that the 25-cent filing fee, since it is "to be paid out of the estate, if any," is to be considered as part of the "compensation," and, like other compensation, is to be paid out of bankrupt estates.

The wording of the statute, to be sure, is perhaps somewhat ambiguous. It is as follows:

"Sec. 40. COMPENSATION OF REFEREE: (a) Referees shall receive as full compensation for their services, payable after they are rendered, a fee of fifteen dollars deposited with the clerk, etc. . . . and twenty-five cents for every proof of claim filed for allowance, to be paid from the estate, if any, as a part of the cost of administration. . . ."

In all fairness it would seem that the intent of the legislative body was to make the payment of the 25 cents for each claim filed for allow-

ance contingent upon there being an estate, and that creditors should not be hampered in the filing of their claims by demands for prepayment of filing fees.

Again, it would seem strange that creditors should have to pay 25 cents for each claim filed as a prerequisite, if, in any conceivable event, the 25 cents is "to be paid out of the estate, if any." Surely, if the referee has received the 25 cents already, then he should not receive it again "paid out of the estate."

Further, the statute does not provide for *repaying* the creditor "out of the estate, if any." Referees who insist upon prepayment of the 25 cents must ignore these statutory words "to be paid out of the estate, if any," or else must inject therein an additional provision for "*repayment*" of creditors "out of the estate, if any."

Again, how can the referee require prepayment of 25 cents in estates where there are no assets, whilst getting his 25 cents "out of the estate," where there is "any." Oftentimes, a referee is not in a position to know whether there is "any" "estate" at the time of the filing of the claim.

For all these reasons, it seems improper to demand prepayment of the filing fee of 25 cents, but only to receive it when it can "be paid out of the estate." "Commissions" are paid "out of the estate, if any," so why should not the 25-cent filing fee be likewise "paid out of the estate, if any"?—surely they are in the same category of "compensation."

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#### Common Sense in Insurance.

The St. Louis association has been doing of late some good educational work in fire insurance. As a result the association has been in receipt of some excellent letters on the subject of insurance. One of the letters which Secretary Foote received from an insurance expert, in which he deals with the policy, is especially worth reading. It says:

"In my judgment it is not essential that the merchant or manufacturer should possess an extended knowledge of fire insurance, in order to avoid pecuniary loss resultant from improperly drawn policy forms. He should, however, appreciate the intent of the policy contract, which is one of protection only—denuded of every speculative feature, and understand that while the policy is issued and subscribed to, usually by only the insurer, the provisions are equally binding upon the insured.

"The charge sometimes made—that conditions of the standard policy are ambiguous beyond conception and numerous to a degree, which precludes a careful and intelligent perusal—is visionary and entirely foreign to the facts. The so-called 'New York Standard' policy, used exclusively by all stock companies in Missouri, and some forty odd other states, is the form prescribed by the laws of New York. It was drawn to conform to the various court opinions, and equitably to protect the interests of insured and insurer alike. The language of this policy is not only not involved, but, to the contrary, is of necessity shorn of all ambiguity. The provisions and conditions of this policy are set forth in 112 lines—equal in actual reading matter to less than three pages of the ordinary (current) magazine. When we consider that the numerous hazards inherent to every class of manufacture and trade must be cared for in one contract of prescribed form, the provisions of the policy cannot successfully be held as burdensome or unfair—if the public as a whole is to have the protection necessary in business and for which it pays. Any man with reasonable intelligence can carefully read and thoroughly digest the conditions of his policy in an hour.



In the entire contract there are probably not to exceed a dozen provisions vital to his particular business. He should, however, know of these, and personally see that in the conduct of his affairs his policy contract is not violated.

"Insurance companies are not eleemosynary institutions—on the contrary they are organizations of business men and citizens engaged in a most hazardous profession, from which a fair profit is necessary if their policies are to represent the character of indemnity so essential to commercial credit and financial preferment. The premium charge therefore on every risk is largely based upon the assured's compliance with the sundry provisions of the policy, which are always necessary and vital to the harmonious and satisfactory adjustment of fire losses. For these, at least, of many reasons, every merchant and manufacturer should have full cognizance of those provisions of the policy which apply to his individual vocation. He should personally see that any hazard of his business prohibited by the policy is known to the company, and so endorsed on the contract. It is a poor plan to depend on the broker who can hardly have a complete understanding of all the hazards involved in every risk.

"General good housekeeping is another feature—while seldom specifically mentioned in the policy, which is none the less essential and important as a successful preventive of fire. Sawdust in cuspidors and under oil barrels, paper, trash, oily waste and rags in cellars, area ways and alleys, are responsible for many conflagrations labeled "Cause unknown." Insurance companies, through fire prevention bureaus and other organizations, expend annually hundreds of thousands of dollars in the attempt to educate the public to improve methods of construction and housekeeping. The task is enormous always, and discouraging often—yet if in years to come even reasonable success is attained, the present fire waste in the United States, which totals annually nearly three hundred million dollars, and which, viewed from any point you choose, represents so much available and taxable wealth forever destroyed, and to that extent permanently impoverishes our country, will be reduced to such an extent as must be materially reflected in the reduced premium charge.

"In my own opinion the various associations of credit men can render business and society no greater service than to join hands with insurance companies in this campaign of education. Reasoned from any direction, the interests of the insured and insurer are identical. Whatever conditions affect one must of necessity likewise affect the other. Aside from the banking feature of fire insurance, which is always nominal, an insurance company has no source of income other than premiums collected from the people. Therefore, unnecessary and incendiary fire losses, exorbitant taxation, unwise and pernicious legislation, is sooner or later reflected in the rate, and constitutes the toll which must of necessity come from the pocket of the policy holder after all."

### **" BURNING SUBJECTS "**

**IS THE TITLE OF SIX LEAFLETS ON FIRE INSURANCE**

**ISSUED BY THE ASSOCIATION**

**HAVE YOU SEEN THEM ?**

**THEY WILL SIMPLIFY YOUR FIRE INSURANCE PROBLEMS**

## Future Trade Problem of the United States.

### WHY IT DIFFERS FROM THE PROBLEM OF THE PAST.

It should be recognized that the natural strength of the United States as an exporter of cereals is very different from her position as an exporter of factory products. It is not hard for a nation which produces a larger part of the grain consumed by cereal-importing countries to keep its trade balance favorable. All nations must eat, and short harvests in the producing country, if its crop is of sufficient proportion to the world's production, will be compensated for by a rise in prices.

In the past the United States has had an invincible superiority in grain production because of the vast amount of land suitable for cultivation. No amount of agricultural knowledge, cheap labor or reasonable transportation charges can make one nation possessing very limited areas of grain country, become a successful competitor with another nation endowed with great tracts of fertile, cereal-growing soil, although handicapped by high wages, costly freight rates and a low degree of knowledge as to scientific farming.

In developing manufactured exports America competes with the advanced nations of Europe upon what is practically an even basis. Commercial credit, widespread knowledge, as to foreign markets, cheap transportation, low wages, etc., will be the determining factors in this struggle for trade. Whatever the great areas of fertile, well-watered land one nation may possess, they will count for very little. The problem of the United States in the future is to keep the prices of manufactured articles down to an export basis. As is the case with wheat, the manufactures must be kept at a price where they will be taken for foreign markets. Once above this export point, American shipments will be little influenced, no matter how high the prices are pushed. No goods will go.—Thomas A. Thacher, in the October *North American Review*.

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### A Lucid Explanation of Reasons for Delayed Payments.

The catalepsy which the coal strike referred to in the following letter, brought on consumer, retailer and jobber, apparently had no effect on the wordy flow of our friend from Kansas who wrote it. He said:

"The coal-mining strike in effect in this district inaugurated April 1st last, in which this industry is predominant, has had a cataleptic effect on consumer, retailer and jobber. The effect of the nearly half years absence of operation of the mines, has practically disqualified the retail provision dealer from meeting his obligations of past incurrence, as well as estops him from doing business in the interim of suspended operations, relief and rehabilitation from which can be accomplished only by resumption, of industry by these same consumers and retail debtors, and a continuous effort to retain hopefulness and stay with it disposition and qualities in the provision dealer to hold fast until the clouds roll by has required no small effort. The extent of this period of inactivity in the predominant industry is without precedent 'Herod is out-Heroded' and 'Rip Van Winkle is outstripped,' and it is a question of calm, grim patience, maintenance of faculty in condition to take care of the grist when conditions make available. This is a subject to be acknowledged with reluctance. Conditions have remained in a state of comma such an extended period, as to create bewilderment in those not surrounded with this contagions to what nature of condition is chargeable with such unusual unresponsiveness and along the line that knowledge of the

nature of a disease better qualifies its treatment. We are impelled to give cognizance of status.

"We have our patience invested and are working overtime to keep the supply equal to that seemingly requisite, our ultimate resource and recourse is. A condition that can only be maintained susceptible to revival, by calm unagitateable deportment with channels in which our dependency lies. It is to be hoped that an evolution will obtain from the past and present that will evade periodical recurrence to such visitation of industrial paralysis.

"Creative of status is parallel to the accredited exchange of comity between the governors of the 'Two Carolinas.' At the inception of the suspension it was conceded that a month or two at the utmost would be its limit, and during the first two months the time for an agreement and resumption of industry was fixed at from a week to ten days from date. With each succeeding period prolonging that time ahead.

"Resumption of operations now seems practically assured for September 15th, which will fertilize the long dormant germ of industry."

The credit man who does not rely on guesses but protects himself by knowing first hand and ahead of time every knowable condition of a risk plays safe. Competition has forced science into other departments of business; it is forcing scientific credit granting upon the credit department. As a fitting response to this well-recognized tendency, the Credit Man's Diary for 1911 is issued by the Business Literature Committee, a conveniently arranged reference book for the credit man, compiled by practical credit men.

The volume will contain synopses of chattel mortgage, exemption and garnishee, mechanics' lien, fictitious names, interest, limitations and bulk sales laws for all states, also the laws relating to the joint ownership of property, legal status of married women, executors' and administrators' rights and functions, conditional sales contracts, etc. The national bankruptcy law, thoroughly indexed, will be presented, a list of referees in bankruptcy, analysis of federal corporation tax law, besides a vast deal of other material useful in credit work.

The memorandum pages for the days of the year will present stimulating and instructive sentence messages, for the most part from practical, keen-visioned men of business. No man can make this volume the daily companion it is intended to be, without making of himself a more valuable director in the credit end of his business.

The price is but \$2.00 delivered. It will be ready for delivery on or before December 1, 1910. There will be but one edition, and as the issue is limited, it is advisable to order at once.

## THE IMPORTANCE OF UNIFORMITY BETWEEN NATIONAL AND STATE LEGISLATION.

BY H. N. MCKINNEY, OF N. W. AYER & SON, BEFORE PHILADELPHIA  
CREDIT MEN'S ASSOCIATION.

An Englishman once said America was running law mad and that legislation in this country was enacted with the sole thought of its present benefit, utterly careless of what its future effect might be, and that in this respect America differed from older nations in that they had learned from experience that laws should be made with a consideration of their effect for all time, rather than for the immediate present. That there is an element of truth in this, every business man will readily admit.

Not long since in a conference at which an able lawyer was present, one of the gentlemen, finding no satisfactory solution of the problem under discussion, suggested that an effort be made to get the state legislature to pass a law for this particular purpose. The lawyer instantly said: "Another law, gentlemen? There is already too much law. Wipe out half that we now have, rigidly execute the other half, and there will then be twice as much law as any country needs." The ordinary business man is disposed to protest against complexity of our laws, for it often seems to him as if the principal aim in the wording of a law was to increase its complexities and decrease its simplicities in order that there might be endless quibble over technicalities with little likelihood of its application to the underlying principles at stake. That there must be law we all admit; that laws should be so made and executed as to render equal and exact justice to great and small, in all sections of the country, admits of no discussion, however widely it may differ from the fact.

Business men, perhaps better than any other class, realize not only the wonderful growth of our country, but the oneness of the people in all lines touching matters of interest to the entire country. Much has been said and much is still said about state rights, and not infrequently we find a man, particularly a state legislator, who has much to say about the dignity and rights of the individual states. Just how much there is in the question of state rights I will leave to others to consider, simply remarking that we are apt to forget that when the thirteen colonies won their sovereignty from the British government it was not as thirteen separate states, but to the combination of colonies that the sovereignty was given, and the great value from that day to this of all rights relating to this country depends upon their equal value to each state and all states in combination. As the years have passed and the country has grown, not only have the states themselves developed, but the power of the combination of states, meaning the entire country, has increased even more largely, and with this growth has ever come a closer commercial intercourse and an increasing necessity that national and state laws shall be in identical uniformity. Could a better illustration of both the need and value of legislation which shall govern alike all communicating states be found than in the 700 years of the wonderful commercial success of England, and is it not true that the foundation of this success dates back to the Magna Charta, signed by King John in 1215, which gave to all merchants safety and security in coming in, remaining in, and going out of England by land or water, giving to all the right to trade without unjust exactions? In our country the impossibility of successful commerce without uniformity of law between the states was shown in its early history. You will recall how the conflicting interests of commerce between the different states often brought these states to the

verge of war. Connecticut supplied New York with firewood, New Jersey with vegetables, and the citizens of New York claiming that this foreign trade interfered with home interests taxed both firewood and vegetables, causing indignation on the part of these states and retaliatory legislation by them. Maryland and Virginia clashed over the commerce which crossed the Potomac River. The regulations by one state as to foreign commerce were changed by another state to suit its own selfish interests, causing still more friction, and it was only after bitter experiences that the states finally agreed upon uniform laws which permitted free and satisfactory commercial intercourse. With such illustration as our country's history affords of the absolute necessity of identical uniformity of legislation between nation and state, it seems strange that in this day of enlightenment the question should still be open for discussion, and yet every business man interested in interstate commerce is painfully aware of the fact that there are often such differences between national and state laws as to prevent the easy transaction of business between the states.

Along certain lines no organization has been more active, helpful or successful in its efforts to correct the existing condition than the National Association of Credit Men; and the work already done by them has produced much fruit of inestimable value to the commercial interests of the country; and yet, after all, we have hardly begun.

Uniformity of law has perhaps been carried further in the direction of pure food than in any other line. Prior to 1906 there was no National Pure Food Law and there were almost as many different laws as there were states. Chaos reigned in every direction and the manufacturer of foodstuffs was ever at a loss to know how to meet the requirements of the laws of the different states. So complicated was the situation that practically every State Food Commissioner urged the passage of a National Pure Food Law which should meet all required conditions and simplify the methods of manufacture and distribution, and when in 1906 the National Pure Food Law was passed it was hailed all over the country as a tremendous step in the right direction. It should be noted that the National Pure Food Law was passed because of the popular demand which was strong enough to direct legislation; and all future legislation in the interest of uniformity must be secured along the same lines. For three years the law has been in force. It is generally admitted to be as nearly a model law as is possible to make at the first attempt. Possibly in some slight particulars changes might be made to advantage, but on that question there is a wide difference of opinion. Certain it is that the law provides for the interest of the consumer, the dealer and the manufacturer in the fairest terms, and provides means for the punishment of all attempts at fraud of every description. In view of the experience of manufacturers and of state food authorities before the enacting of this law, it seems incredible that there should be even a thought of enacting other laws which should differ from the national and yet within the last year, in a number of legislatures, efforts have been made to enact new state laws which should be in direct conflict with the national.

However, a gratifying evidence of business appreciation of uniformity is found in the fact that in every case the attempted legislation failed. Notwithstanding this, there are men who are constantly endeavoring to undo by such legislation the great good that was accomplished when the National Pure Food Law was passed. While we all recognize that no phase of the uniformity question can be of more importance to the public at large than the pure food law, nevertheless there are many other questions in which your Association has been and is deeply inter-



ested and which are of vital importance to the commercial interests of our country, and because they are thus bound together there should be a combination of these interests to secure such uniform legislation as will be just and will, at the same time, facilitate the easy transaction of commerce. It goes without saying that any article of sound commerce should freely pass from state to state without let or hindrance. There is no reason why the wheat and corn of the Northwest, the shoes of New England, the metal products of Pennsylvania, the cotton of the South and the fruits of the Pacific Coast should not find free and easy access to every state.

Perhaps no better way of stating what should be done to secure identical uniformity between national and state laws can be found than to quote from some of the official utterances of State Food Commissioners made during the campaign which resulted in the National Pure Food Law enacted in 1906.

Mr. Grosvenor, of Michigan, said: "I believe that if we had a national food law, and if every commissioner would take that law to his legislature and say: 'Now, gentlemen, please enact this as a state statute; don't pare it; don't make it a little better; make it exactly as it is,' and I believe every State Food Commissioner would be glad to do that, and no opposition could possibly come from any source. We would have a national law then in force as a federal statute, and in force as a police measure in the different states, and any ruling which came from the authorities at Washington would naturally be followed by the State Food Commissioners, and the result that this Association has so long sought, and that the manufacturers have so long needed, would be in sight."

Mr. Bruner, of North Carolina, said: "The only safe thing for the people of the states is to move for a strong, comprehensive, compelling national law which knows no state lines in its provisions and enforcements supplemented by vigorous sustaining state laws which shall be enforced as rigidly and as promptly as those against any other crime upon the calendar."

As people of one great country we live alike, work alike, trade alike, our great mercantile interests are alike, but only when our commercial laws are made alike will we secure to each and all the greatest possible benefit from the commerce of the individual states and the nation.

The necessity of uniformity seems so plain, the benefit of it to manufacturer, dealer and consumer so apparent, that it is difficult to understand how there can be either objection or interference with efforts to bring about a quick adjustment of all laws to this end, and yet every attempt in this direction is met with more or less of opposition, and it is worth our while to try to discover wherein lies the difficulty of the accomplishment of our purpose.

I think, in the first place, we may look to those old enemies of progress which are ever met in any attempt to change existing methods. I mean prejudice and ignorance, prejudice that always exists against any success whether it be individual or corporate, and ignorance of real conditions. The country has been flooded during the past years with denunciations of successful men of great corporations until there has somehow become more deeply imbedded in the minds of the masses than we realized the thought that the great sin of nine-tenths of the merchants of the land is to draw somehow the last drop of blood remaining in the other tenth.

I want to take this occasion to say that I believe that commercial honor, both individual and corporate, was never at a higher point than to-day. I want to say further that all of the newspaper reports of fraud

and failures, of greed and selfishness, are the best indications that the great mass of business men are not only honest in the ordinary commercial sense, but their integrity and honor is of the largest and deepest degree.

What I mean by newspaper report is this: The newspapers of to-day measure the value of news by its sensationalism. I do not mean this in the sense of yellow journalism, but in the sense of striving to furnish matter that will be read. To illustrate: Suppose a man, 80 years of age, has lived in a certain town or city all his life. He has always been recognized as bright, honest, clean and public spirited; his family relations have been the best; his standing in the community the highest; his interest and helpfulness in business and philanthropic matters readily acknowledged, and yet, during all these years, the newspapers have had nothing to say about him. If, however, after a life spent in this way, known and honored by all men because of his sterling value, this man should be unfortunate enough to get angry and smash his neighbor's plate-glass window, his act would be announced in the next morning's paper in glaring headlines, and would be the subject of columns of news which the public would eagerly read. What this illustrates is the fact that the newspaper is ever on the alert to discover and publish wrongdoing, and with all of the enterprise that is possessed by these newspapers they can only find an infinitely small percentage of the business men of America whose conduct is worthy of censure. Added to prejudice is another factor of equal importance, namely, ignorance. How many men, even business men, know or, at the present time, care anything about the necessity of uniformity of national and state legislation? Even though it may affect their business directly they are in ignorance of its relation to them, and because of this ignorance have taken no part in the effort to change existing conditions, and probably would be opposed to such change until they were informed as to its real meaning and value; and, if you please, one more factor, and that is, the legislator himself.

Those who have been unfortunate enough to deal somewhat with legislation in endeavoring to secure proper consideration of a perfectly legitimate proposition without graft, have probably discovered that, even though the legislator be honest, his first consideration is, how he can use the question under discussion for his own political advancement with his constituents. Take this very question of uniformity, in presenting it to a legislator he at once grasped the idea that here was a great opportunity for him to make a wild speech on the efforts of the great financial and commercial interests of the land to rob the individuals of his state: that it was easier for these interests to control legislation centered in Washington than to influence the thousands of men that make up the state legislatures, and when he made his speech on the floor in opposition to it one might have thought that an effort had been made to throttle the very life of all of the people of that state. These difficulties are recognized by us all, and the question is, how shall they be met? The answer is simple—education. Let the facts be made known to every business man, making him realize the importance of the question, and that it rests with him to convey correct information to everybody within his reach. This done, the movement will become popular; when popular the legislator is as sure to take advantage of the popular feeling for his own benefit as he is to take advantage of the possibilities of attacking instead of supporting such a measure.

One thing more, and I am done. Briefly, we have considered the history, need, method, and difficulty, and now, lastly, the danger.

Not long ago a conference of governors was held in Washington, called by the President to consider the question of uniformity between national and state law. At the same time the National Civic Federation held a conference on the same subject which was attended by several hundred delegates. At the first session five great questions were considered and resolutions passed referring these to the governors, and asking from them support in their different states. At the last session of the Federation, seventeen resolutions were introduced asking similar support upon seventeen different things, important, perhaps, and yet of minor importance. As I listened to the reading of these resolutions and saw the effect upon the audience it occurred to me that there was great danger that nothing would be accomplished. If on the most important matters of commerce we can secure uniform national and state legislation it will then be found as a matter of course that the minor things will be added to the list.

The vital principles underlying this entire movement may be thus stated. Uniformity of law within national boundaries for the equal benefit of consumers and producers is as imperative for sound articles of commerce as is the necessity for establishing uniformity for standards of weights and measures, of money, etc. Diversity of law holds all the chaos, inconvenience, annoyance, and loss that would prevail with different systems in the state for weights and measures and for money.

To harmonize state and national laws by identical legislation probably will necessitate some changes, but the compromises to be made in the state laws that would seem to some to weaken them would be few as compared with the greater number of things concerning which identical uniformity of law would be of lasting benefit.

If changes in the law are desired the people should act first through Congress, and then, in identical terms, through their state legislatures, to the end that freedom of competition may be unrestricted, and that the people may purchase sound articles of commerce in any market on equal terms, and that the necessary machinery for the conduct of business may be untrammelled.

If I am correctly informed this movement began nearly twenty years ago. The length of time that has been given to it evidences the difficulty of the proposition, and yet the opportunity of to-day is greater than ever before, and the time has come when persistent effort should be made to bring into line every commercial interest and secure from each not only passive but active interest in the matter, and if such organization or organizations can be formed and every member insists on "keeping everlastingly at it" success will be the inevitable result.

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Do not fail to save envelopes in which you receive orders or other communications having a suspicious look. If these are initialed by two persons in your office, with date of receipt, they make valuable data in prosecuting for fraudulent use of the mails.

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"Help the Association to grow and you will soon feel yourself growing." That is the experience of many a credit man whose loyalty to the Association has been made firm because through it he has found himself and been led to know his power. Don't delay. Tell your local president you are ready to go to work.

## ASSOCIATION NOTES.

### Atlanta.

The first quarterly meeting of the Credit Men's Association of Atlanta was held August 8th, and was the largest in attendance ever held by the association.

Ben Z. Phillips made an address on the subject, "The Amended Bankruptcy Law as It Affects Credit Men." The speaker's wide experience in bankrupt cases, his extensive knowledge of the subject, and of conditions existing under the old act, as compared with real benefits to be secured under recent amendments, made the address both instructive and profitable.

R. S. Wessels, chairman of the Entertainment and Program Committee, offered the following resolution which was unanimously adopted:

*"Resolved*, That it is the sentiment of this meeting that the weekly noonday luncheon will prove beneficial and profitable to the members by drawing the credit men of Atlanta in closer personal touch with each other, thereby promoting good-fellowship and co-operation in the diffusion of information concerning credit standing of merchants who buy in this market; an exchange of opinions regarding condition of trade and credits in particular, will be of material assistance to all credit men, and will tend to help the association in its future usefulness."

Since the adoption of the foregoing resolution, the average attendance for three weekly noonday meetings has been forty-seven members.

### Boston.

The first of the 1910-1911 series of monthly dinners of the Boston Credit Men's Association took place at Young's Hotel September 26th. The speakers on this occasion were Henry Deutsch, ex-president of the Commercial Law League of America, whose subject was "Credits and Returns," and Joseph J. Leonard, a Boston attorney, who discussed "Telephone Schedules and Rates."

Mr. Deutsch, in his speech, pleaded for greater harmony in action between the credit men and lawyers entrusted with their collections. He said there was too much distrust and offishness on both sides at present. He disapproved of the work of "adjustment bureaus," because they were attempting specialized work without being properly fitted for it. They were trying to do the work that the lawyer has equipped himself to handle. He called attention also to the carelessness with which many credit men entrust their claims to those without a reputation for honesty and success in such undertakings. But he professed to see a tendency toward agreement between credit men and worthy men in his own profession the world over, so was hopeful that many present difficulties would soon be adjusted.

### Baltimore.

The Credit Men's Association of Baltimore held a meeting September 13th and listened to discussions regarding increasing the prosecution funds and legislation regarding homestead, bad checks and stricter bulk sales regulations. The principal speakers on these topics were Sylvan H. Lauchheimer, the association's attorney, and Secretary S. D. Buck.

Secretary Buck went on to show how the legislatures of the various states keep on making laws for the protection of the people and men rack their brains devising schemes to evade and break them, and it is only as such organizations as the Credit Men's Association stand up to oppose and punish such men that our protective laws are made to avail

us anything. This, in substance, he said, is the theory of the prosecution fund which is destined to occupy so large a place of usefulness in our work.

The Rev. Dr. Henry M. Wharton also spoke and showed how the whole structure of the universe rests on faith. He declared that the man who has no faith in God and in himself can never reach the goal to which he aspires.

#### **Chicago.**

The Chicago association's September meeting was more largely attended than any monthly meeting yet held by the organization. The members had the pleasure of listening to addresses by Edward W. Sims, United States District Attorney, who told of America's white slave traffic and what the government is doing to circumvent this crying evil. Ex-President S. J. Whitlock gave an enthusiastic talk on the proposed national prosecution fund, and John F. Smulski, formerly treasurer of Illinois, made an address on the subject, "Financing State Institutions."

Portions of Mr. Whitlock's interesting address are presented elsewhere in this issue of the BULLETIN. His address aroused so great enthusiasm that it was voted to raise a fund of \$20,000 with which to push the investigation and prosecution of fraudulent failures, and \$1,000 was subscribed toward the project, which has the unanimous backing of the membership. It was estimated that the manufacturers, wholesalers and bankers represented in the National Association throughout the country lose nearly a half million dollars annually through failures that are fraudulent, the number of such failures averaging between two and three hundred every year.

At this meeting it was voted to change the name of the association to the Chicago Association of Credit Men, in line with the movement to give a uniform title to all branches of the National Association of Credit Men.

#### **Cleveland.**

The Cleveland Association of Credit Men held its first noon-day luncheon for the season of 1910-11 on September 29th, with a large attendance. F. E. Pile, of the Forest City Paint and Varnish Company, acted as chairman, and S. P. Fenn, vice-president of the Sherwin-Williams Co., spoke on general credit matters. He declared that the old principle of "pay as you go" still holds good to-day and that the extension of credit is of no advantage to a man unless he really has a basis of credit in the shape of a good business, or property or integrity or business ability. Mr. Fenn insisted that salesmen must be educated to credit work because credit men ought to be able to take advantage of the fact that the salesmen are on the ground and can secure valuable information through actual observation.

H. R. Taft, of the Cleveland Hardware Co., spoke briefly on the establishment of a credit bureau at Washington to safeguard national bank loans. He expressed the opinion that Comptroller Murray is doing an inestimable service to the business community in developing this great protective system against single interests which heap up loans in various banks.

It was voted to hold the noon-day meetings every other Thursday during the winter season.

#### **Columbus.**

The September 20th meeting of the Columbus Association of Credit Men was devoted to short talks by members on various association



matters, especially regarding lines of effort along which the work of the new year will be conducted. In this connection the doings and recommendations of the New Orleans convention were discussed with a view to working in close harmony in Columbus with the parent organization.

#### **Detroit.**

The Detroit Credit Men's Association held its first meeting after the summer vacation on September 28th, opening the fall campaign with a dinner. There were about one hundred members in attendance.

After a short business session, Robert W. Smylie, of the People's State Bank, gave an interesting talk on the subject, "What is a Credit Man?" He was followed by W. E. Brownlee, of the Brownlee-Kelly Co., who spoke on "Credits, Large and Small." In speaking of the wholesale lumber trade of Michigan, Mr. Brownlee said: "There are no better credit risks anywhere than the retail lumber dealers in the cities and towns of Michigan and neighboring states—men operating with a capital of from \$2,000 to \$50,000, on the job all the time, careful, energetic, thrifty and practical and most of them not above loading a wagon or driving a team when occasion arises."

A tribute was paid to the late Harlow P. Davock, who was closely connected with the work of the credit men, and a committee was appointed to draft suitable resolutions expressing the sympathy of the association with his family.

#### **Kansas City.**

Vice-President W. L. Buechie, of the National Bank of Commerce of Kansas City, addressed the Kansas City Association of Credit Men September 22d, on "What is the Matter with the Financial Situation Just Now?" He said that despite the opinion to the contrary prevailing in some business circles, banks are loaning more to those who deserve credit than heretofore and the country's financial condition is good. The fact, he said, that the bankers had decreased deposits is a good sign, not an evil one, for it means that loans have been paid off by the borrowers.

"Once in so often," Mr. Buechie explained, "it becomes necessary for the banks to collect what is owed to them. That does not indicate a period of depression but a period of sound business advancement that makes it possible for the merchant and farmer to pay the loans he made during times of stress.

"It is true that in line with the progress of the day, the banks are examining their credits more closely and that they have better facilities for inquiring into the affairs of those who desire credit. This makes it harder for a certain class of people, who do not know how they are going to pay, to secure loans.

"Reports show us that a better corn crop will be raised around Kansas City than for many years before. An excellent wheat crop has just been harvested, and in Oklahoma they are now harvesting a bumper cotton crop.

"Under these conditions it is foolish to say that the banks are not loaning money to anyone entitled to credit. There is nothing the matter with the financial situation of the country, especially in the west."

Maxwell Blake, a Kansas City man, Consul-General to Bogota, Colombia, South America, was the other speaker of the evening. He showed how the United States, and especially the middle west, is neglecting its trade opportunities in South America.

"With a great market there," he said, "you are allowing the French

and the Germans to take the trade that rightfully belongs to you. What are you going to do about it? Are you going to sit by and see this valuable trade territory slipping completely from your control."

The club discussed plans for the entertainment of the directors of the National Association of Credit Men, who meet in Kansas City October 19th. It was decided that one of the best ways to entertain the directors would be to report that 100 new members had been secured between now and that time. Each member present pledged himself to work toward the securing of that many members.

### Lincoln.

At the regular meeting of the Lincoln Credit Men's Association, held September 10th, H. M. Bushnell gave an interesting talk on "Crop Scares and Business." He showed of how great importance are the government bureaus for monthly reporting upon crop conditions throughout the crop-growing period, not only to the stock market but to the farm sections also, in guiding producers as to time and season for marketing their products.

The association is endeavoring to increase its membership so that it shall be more nearly representative of Lincoln as a trade center and more of a factor in the development of Lincoln trade.

### Louisville.

The Old Galt House was the scene of a very large and enthusiastic meeting and dinner of the Louisville Credit Men's Association, September 27th, at which the subject of insurance was discussed by leading experts. Every man attending the meeting found at his plate an envelope with the words "Burning Subjects" sketched across it. This was found to contain a set of the six insurance pamphlets bearing that title issued by the fire insurance committee of the National Association, and prepared by them for distribution throughout the retail trade.

President Mathews, who acted as toastmaster, declared that it was the intention of his administration to make the meeting the beginning of an earnest, and, he hoped, effectual campaign for better insurance conditions throughout the state. The principal speakers were Edward T. Campbell, of St. Louis, president of the American Central Insurance Co., whose topic was "Insurance Companies and the Assured"; Young E. Allison, of the *Insurance Field*, who spoke on the topic "Burning Subjects," and A. H. Robinson, on "The Insurance Contract and its Relation to the Assured."

Mr. Campbell made a plea for separating insurance from politics. He declared that politicians had ridden insurance to the great hurt of commerce in all its branches and business men and insurance men must band themselves together to eliminate the politicians and those perverse forces that harm the vital interests of the community. Mr. Campbell declared that fire insurance means brains, persistency and economy devoted to husbanding the resources of the country, saving it from bankruptcy through the ash-heap.

Mr. Allison propounded "Some Burning Questions." He said in part: "Fire insurance companies do not deserve to be censured for the present scale of rates. You are well aware that you do not make the prices on your products. Some of you may think you do, but you do not. Competition makes prices, and before we pause to hurl our convictions at the fire insurance companies without a full understanding of the situation, let us weigh a few facts carefully."

"First, if every business in the country had the power to make and fix its own tariffs this would soon become an unendurable planet. It is the fierce competition that regulates. Now, then, do you think that insurance companies are above those laws that govern commerce?"

"In one respect you are in the insurance business just the same as the insurance companies are. Your credits may not be insured in a corporation, but you endeavor to insure them yourself. I wonder if you would not seize an opportunity to secure a contract which would insure your collections from loss for a premium of one per cent. Yet that is exactly what the fire insurance companies offer. They guarantee you against loss by fire for an average premium of one per cent.

Mr. Robinson demanded the repeal of the "valued-policy law" in Kentucky, which, he said, was an inducement to incendiarism, as had been found true in other states, which had since repealed it.

### **Milwaukee.**

President M. A. Graettinger made the first fall meeting of the Milwaukee association, held September 22d, a membership rally night, to which he asked every one of the 240 members to bring a prospective member. At this meeting vital association problems were discussed. Oscar Loeffler took up the question of making more effective the investigation and prosecution work of the association. Ernst Unke, the new chairman of the adjustment bureau committee, told of the past work and new purposes of the adjustment bureau, and H. Max Oberndorfer spoke of the plans of the legislative committee.

At the conclusion of these talks, Dean William Clarence Webster, of Marquette University, made an address on "University Training for Business Men." He was closely questioned by his audience at the conclusion of his address.

### **Minneapolis.**

The Minneapolis Credit Men's Association held a meeting September 27th, with Henry Deutsch, of Minneapolis, and Robert Lincoln O'Brien, of the Boston *Transcript*, the principal guests. Mr. Deutsch's address was on "Credits and Returns." The meeting was largely attended.

### **Norfolk.**

Driving the crook out of business by co-operative methods of detecting and advertising him was the theme of the September 22d meeting of the Norfolk Association of Credit Men and representatives of the Retail Merchants' Association. There were several speeches, each emphasizing the necessity of co-operative action to keep every business community free of dishonesty.

Addresses were made by H. G. Barbee, president of the Norfolk Association of Credit Men, C. L. Fine, president of the Retail Merchants' Association, and E. R. Barksdale, a wholesale merchant of Portsmouth, Va.

Mr. Barbee and Mr. Fine told of the success achieved by their organizations acting through credit bureaus in protecting their members against crooks and pretenders and incompetent men in business and among consumers. They spoke also of the interdependence of the several elements comprising the business community, urging particularly the importance of co-operation of the jobbers and retailers and pointing out

that crooked dealings will either affect both and indirectly the consumer also.

Mr. Barksdale, talking on the same general topic, declared there were but few dishonest men in business and that very few failures were attributable to dishonesty, but rather to incompetency. Sound judgment and conservatism are, said he, after all the things of most importance, the greatest safeguards of credit, the most reliable guarantees of solidity in business.

#### Omaha.

The Omaha Association of Credit Men held its third annual banquet September 20th, the members bringing with them their wives and lady friends. President John Duff presided and in the course of his speech brought the necessity of confidence in all walks of life, social as well as commercial, in the home as well as outside its borders, between man, wife, parents and children.

Other speakers were Congressman Gilbert M. Hitchcock and C. N. Robinson.

#### Pittsburgh.

Jos. Albert Beck, B.S., LL.B., Professor of Political Economy, University of Pittsburgh, addressed the members of the Pittsburgh Association of Credit Men at the September 16th noonday meeting, his subject being "A College Education for the Business Man."

He said in part. "By a business career we do not ordinarily mean the work of the technical experts, but rather the work of the salesman, the financial man and the executive manager. \*The commercial or business schools supply training for bookkeepers and stenographers but they do not equip a man to handle the more difficult and intricate business problems, the problems which must be solved by the head of the enterprise and for him a proper training must be provided."

Professor Beck pointed out that in this age of specialism there is no opportunity for the employee of a large corporation to learn from his detailed tasks how to handle the large affairs of the company. He said that to-day executive positions are not filled from the ranks of employees, but from the outside where men have secured training adapting them to a managerial chair. He said it is most important to determine the profitableness of new businesses or new departments; to study the installation of expensive machinery, the inauguration of an advertising campaign, adoption of piece work or a weekly wage system, and the countless other questions which large enterprises must meet. These things, it was made clear, involve the ability of wise selection, and it is also economically most important at the present time.

The men present were told that the business man stands to-day at the head of the world's occupations. No longer can the professional man look down upon him, but rather is the situation reversed, a professional man becoming an employee of the great man of business. Professor Beck briefly took up banking, corporation, finance, transportation, citing labor problems and said that economic and social history is now most important rather than analysis of wars. Summed up he made it clear that a broad college training is, indeed, needful for the man of great business.

At the conclusion of the meeting three applications for membership from guests of certain members, were received.

On September 20th the annual meeting of the Pittsburgh Association of Credit Men was held, when Enoch Rauh was elected to serve his third term as president. G. Brown Hill was elected first vice-president, C. F. Stolzenbach was chosen second vice-president, and Cyrus Lewis treasurer.

Upon the announcement of Mr. Rauh's election he was presented with a bouquet which gave his fellow-members great joy and surprise. It was made up principally of "Red Hot Pokers," the old-new flower of our grandparents.

Following President Rauh's report, which was received with repeated applause, came reports of other officers and all committees.

Each committee took up the progress of the association along their respective lines and, like the president's report, presented a series of successful accomplishments during the past year.

The report to cause greatest enthusiasm was that of the membership committee. Within the preceding week thirty members were added to the rolls of the association, making the total membership close to 800. A campaign was started to increase the number to 1,000 during the coming year.

One member, Joseph Wahlstrom, succeeded in securing fourteen members during the three days just before the meeting and was given a vote of thanks by the association.

The noon-day meeting of September 29th was addressed by Frank I. Gosser on the "Pittsburgh Spirit," and that of October 4th by Mayor Wm. A. Magee, of Pittsburgh. Both speakers were greeted by overflowing audiences of credit men. At the last meeting President Rauh announced that the exchange information bureau had finally completed its great task of making ready to serve members and service was to begin immediately. He called on more members to support this splendid bureau.

### **Salt Lake City.**

The Utah Association of Credit Men, in its monthly meeting and luncheon held in the Commercial Club September 15th, received the report of the committee appointed at the August meeting to take up the matter of requiring the more general payment of accounts when due, also doing away with the allowance of discount after the discount period, but took no definite action on the report at this meeting. The matter was made an order of business to come up before the members at the October meeting for further consideration.

### **St. Louis.**

Colonel Jay L. Torrey, of Fruitville, Mo., the framer of the national bankruptcy law which bears his name, and President F. H. McAdow, of the National Association of Credit Men, were the speakers of the night at the first regular meeting of the St. Louis Association of Credit Men for the winter season, held September 15th.

President McAdow spoke in support of the national prosecution fund that credit associations over the country are organizing for the prosecution of all persons found attempting to evade or obtain illegal advantage of bankruptcy statutes or otherwise evade their liabilities.

The credit exchange bureau, such as has been put into operation in St. Louis within the past month, was also lauded by Mr. McAdow.



Colonel Torrey, in a two-hour speech, told of the history of the fourteen-years' struggle for a national bankruptcy law that began in 1884 and ended with the adoption by Congress of what is conceded the most perfect piece of legislation ever passed by that body.

A glowing tribute to John R. Walsh, the Chicago banker, now serving a penal sentence in a federal prison for violation of banking laws in the handling of his string of banks, and who was once a newsboy in St. Louis, was paid by the speaker. The national law would probably never have been passed, he declared, in the course of a description of the incidents of the fourteen-years' campaign, but for the support of the Chicago banker, which was given against the latter's financial interests.

### St. Paul.

The members of the St. Paul Credit Men's Association were given an interesting evening September 13th when Prof. Thomas W. Mitchell, of the University of Minnesota, gave a talk on "University Extension Work as an Aid to Business Men." Prof. Mitchell said the college of former days, when the emphasis was laid upon Latin and Greek, we no longer have with us. "Greek," he said, "is, we must admit, fine training for reading Greek, but it will hardly do for a thorough understanding of the 'turn down sheets,' for instance." Prof. Mitchell told how young business men are taking advantage of the extension facilities of universities through evening courses of special lectures and correspondence systems.

H. K. Huntton, who had represented the National Association of Credit Men at the conservation congress held at St. Paul during August, gave an interesting account of the doings of the congress. He said that it had done much to advertise St. Paul in the best possible way.

The question of the exchanging of credit information with Fargo, Sioux Falls, Grand Forks, Aberdeen and Sioux City came up and was referred to a committee to report to the next meeting of the association.

### Seattle.

Much-needed state legislation occupied the attention of the September 19th meeting of the Seattle Association of Credit Men. Fred T. Fischer, chairman of the Legislative Committee, had asked the members to come together prepared to advise what lines of legislative work the association should principally pursue during the coming legislative session. He said the general policy was fixed that the association must not scatter its efforts widely but concentrate them upon one or at most two bills looking to strengthening credit conditions. Exemption and lien laws occupied most of the thought of the meeting.

The discussion was crystallized by an address by Ira Bronson, of the Seattle bar, on "Needed Legislation in the State of Washington." Mr. Bronson brought out the difficulties of amending the exemption and lien laws and urged that credit men look carefully to the debtors' fair point of view in recommending changes therein.

### Syracuse.

President L. John Bergman, in his address before the opening fall meeting of the Syracuse association held September 20th, mapped out a program for the winter which he declared called for the enlistment

in active service of every member. In the first place it called, he said, upon every man to secure a new member; again, for each member to add something out of his store of experience in credit granting to the possessions of the membership as a whole, and to this end he proposed that there should be a free use of the question box system throughout the winter. His plan contemplates bringing every committee's work clearly before the entire membership frequently during the year. At the September meeting, for instance, Chairman H. B. Buell, of the Legislative Committee, gave a brief outline of the proposed national and state legislation, now before the association, and introduced J. Chas. Meldram, a prominent local attorney, who gave an illuminating talk on "Exemptions as Regards Bankruptcy Proceedings." Mr. Meldram described the workings of the exemption laws of the various states and pointed out the necessity of uniform legislation as a means to correct the abuse of the exemption privileges as accorded in many states.

As an illustration of topics of debate at future meetings President Bergman proposed for discussion the subject:

"Through what class of banks may be secured the best results in making sight drafts covering overdue accounts?"

This question was widely commented on, the consensus being that the most practical and satisfactory medium for making drafts is a customer's own bank. Others stated that they had used their local banks to advantage and still others recommended the use of banks allied with the National Association.

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## WANTS.

**WANTED**—In Los Angeles, California, or vicinity, position as credit or head office man by one thoroughly reliable and competent,—with 15 years' experience in double entry bookkeeping, collections and credits. Last eight years as assistant to manager of a leading wholesale rubber footwear house in Boston, Mass. American, Protestant, 35 years old, can furnish best of references and give bond if required. Address B. M. A., care Chas. E. Meek, 41 Park Row New York, N. Y.

**A HIGH-CLASS CREDIT AND COLLECTION MANAGER** wishes to make a change. Has had two years' experience as paymaster and cashier for large machinery manufacturer and has for three years been in charge of the office in his present position, handling the hardest kind of collections but with a good record as to small percentage of losses. Has good reasons for wishing to change. Address XXXX., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**A MAN** of large experience, who can present the best of references, wishes a position as credit and financial man in some large business. Correspondence is solicited. Address R. M. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**ASSISTANT CREDIT MAN** wanted to supervise bookkeeping department and assume a share of the responsibility in extending credits. Must be a good accountant. Moderate salary offered in the beginning but prospects are excellent. In making application state age, experience and salary required. Address C. C. N., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**MANAGER** for a large Western Branch office, with broad experience and qualifications of high character, for a position requiring executive ability, a knowledge of selling, credits and office management. Must be able to manage matters involving detail and system as well as the larger affairs of business. A good opportunity for a man of unquestioned attainments as a business getter and manager. Address D. A. C., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**A HIGH CLASS CREDIT** and collection manager desires to form a new connection. Has had many years of active experience in his profession in Chicago and can make himself valuable to any organization in need of an expert. Has successfully handled a large number of accounts with all correspondence relating thereto, and can make a good record as to small percentage of losses on volume of yearly shipments. Highest testimonials submitted. J. B. T., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**OWING TO DEATH** of principal parties in a Pennsylvania wholesale grocery house, a credit man who had also been for eight years general manager, is open for a new connection. Has had practical experience also in collection work. Previous to connection with the grocery line had several years' training in manufacturing and is fitted for responsible position in either manufacturing or trading house. Can furnish the highest of references. Address F. M. B., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**A CREDIT MAN**, who has a broad knowledge of trade in the northern states, who has, through several years' actual experience, a thorough acquaintance with systems of accounting, auditing, credits and collections, desires to make a change in position. Has occupied a position of trust requiring good judgment, tact, foresight, has had charge of finances, commercial paper, discounts, etc., of a large concern. High-grade references will be given. Address C. K. G., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN EXPERIENCED** and successful manager and accountant with twenty years of experience desires to make a new connection. The best of references will be furnished. Address L. O. C., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**OPEN FOR ENGAGEMENT**—For a number of years I was credit man for a large wholesale house, later was general manager for the same concern. I am at present engaged with a prominent credit information and collection service but prefer the mercantile field. My references are of the best. I would consider a position with a wholesale house or manufacturing concern as credit man or to take charge of office management. Address L. F. B., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—Position as assistant credit man and collection manager by a young married man, now connected with large manufacturing concern doing world wide business. Good references furnished. Five years' experience as credit and general correspondent and adjuster. Understands accounting, advertising, insurance and selling. Desires to locate in New York City or vicinity. Address A. I. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**CREDIT AND COLLECTION MAN**; 31 years of age and married, desires to form a new connection. He has had large experience and is at present in good standing with million dollar corporation in Chicago. Successfully handling twelve thousand accounts, wholesale and retail, and in charge of all correspondence relating thereto. Losses less than normal every year. Best of references. Address G. A., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**SUCCESSFUL CREDIT, COLLECTION AND OFFICE MANAGER** now in New York seeks connection with reliable house anywhere. Has handled accounts, as many as 10,000 at one time, for wholesale and manufacturing concerns; and as manager of law and collection office. Nine years with one house. Immediate expectations moderate if good future is assured. Address Manhattan, care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—Young man having six years' experience in credits and collections with large implement concern (in New York state) whose output is now to be sold through jobbers, desires similar position. Can take whole or partial charge in a like department as conditions may warrant. Best of references. Address L. S. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**FIRST-CLASS CREDIT MAN AND ACCOUNTANT** desires to make new connections on or before April 1, 1911. Twenty years' experience as credit, office and financial manager, correspondent, cashier, etc. Address F. S. T., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—Manager of collection department by a large manufacturer of specialties in the Middle West. An attorney with collection experience will be preferred. Those without any experience in collecting need not reply, for no one but an experienced man will be considered. A good and permanent position to the right man. Address Collections, care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN EXPERIENCED CREDIT MAN AND BOOKKEEPER** desires to locate with a house where ability and faithfulness will be recognized. Has had years of experience in checking out credits and supervising the work of the office. Is himself a thorough bookkeeper and familiar with custom house matters. Any firm desiring a reliable and steady man with very high references will find it an advantage to address L. E. O., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN EXPERIENCED CREDIT MAN** desires a good position. Has a legal training and is an accountant capable of managing office. Understands German and Spanish and has excellent letters from former employers. Address G. E. W., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**HELP WANTED**—Credit Department Assistant wanted by a large jobbing grocer. Must be accurate and active and a good, quick, tactful collection correspondent and not afraid of plenty to do. State full particulars, experience and expectations. Address Reliability, care Chas. E. Meek, 41 Park Row, New York, N. Y.

#### Directory of Officers of the Affiliated Branches of the National Association of Credit Men.

**ATLANTA, GA.**—The Credit Men's Association of Atlanta. President, Ralph Rosenbaum, Atlanta Woodenware Co.; Secretary, E. L. Rhodes, Ernest L. Rhodes & Co.

**BALTIMORE, MD.**—The Credit Men's Association of Baltimore. President, Geo. L. Irvin, Carlin & Fulton; Secretary, S. D. Buck, 100 Hopkins Pl.

**BIRMINGHAM, ALA.**—Birmingham Credit Men's Association. President, H. W. Coffin, Moore & Handley Hdw. Co.; Secretary, G. B. McVay, Amzi Godden Seed Co.; Assistant Secretary, R. H. Eggleston.

**BOISE, IDAHO.**—The Boise Association of Credit Men, Ltd. President, J. G. H. Graveley, Capital Brokerage and Comm. Co.; Secretary, D. J. A. Dirks, 12-14 I. O. O. F. Temple.

**BOSTON, MASS.**—Boston Credit Men's Association. President, William O. Wales, Brown-Wales Co.; Secretary, Herbert A. Whiting, 77 Summer St.

**BUFFALO, N. Y.**—Buffalo Credit Men's Association. President, John J. Dolphin, Jacob Dold Packing Co.; Secretary, Wilbur B. Grandison, 78 Erie County Bank Bldg.

**BUTTE, MONT.**—Butte Association of Credit Men. President, Chas. E. Virden, Ryan & Virden Co.; Secretary, R. Frank Casey, Casey Candy Co.; Assistant Secretary, C. E. Alsop, Ind. Tel. Bldg.

**CEDAR RAPIDS, IA.**—Cedar Rapids Association of Credit Men. President, O. C. Olney, Cedar Rapids Candy Co.; Secretary, Thos. B. Powell, Magnus Block.

**CHARLESTON, W. VA.**—Charleston Association of Credit Men. President, E. A. Barnes, Abney-Barnes Co.; Secretary, Clark Howell, Capital City Supply Co.

**CHICAGO, ILL.**—The Chicago Association of Credit Men. President, R. A. White, American Steel and Wire Co.; Secretary, O. A. Ipsen, 218 La Salle St.

**CINCINNATI, O.**—The Cincinnati Association of Credit Men. President, W. B.

Johnston, P. R. Mitchell Co.; Secretary, Henry Bentley, 614 Mercantile Library Bldg.

**CLEVELAND, O.**—Cleveland Association of Credit Men. President, A. J. Gahr, Geo. Worthington Co.; Secretary, H. J. Bruehler, 505 Chamber of Commerce Bldg.

**COLUMBUS, O.**—Columbus Credit Men's Association. President, J. J. Jennings, City National Bank; Secretary, Benson G. Watson, 601-605 The New First National Bank Bldg.

**DALLAS, TEX.**—Dallas Association of Credit Men. President, H. S. Keating, Keating I. & M. Co.; Secretary, W. P. Peter, 904-906 Praetorian Bldg.

**DAVENPORT, IA.**—Davenport Association of Credit Men. President, George W. Noth, Davenport Bag & Paper Co.; Secretary, Isaac Petersberger, 222 Lane Bldg.

**DECATUR, ILL.**—Decatur-Springfield Association of Credit Men. President, A. J. Murray, National Grocer Co.; Secretary, Omer Fightmaster, Mueller, Platt & Wheeland Co., Decatur, Ill.

**DENVER, COLO.**—The Denver Credit Men's Association. President, Chas. Bayly, Bayly-Allen Merc. Co.; Secretary, H. J. Thomas, Geo. Tritch Hdw. Co.; Assistant Secretary, H. A. C. Mathew, 407-408 Sugar Bldg.

**DES MOINES, IA.**—Des Moines Credit Men's Association. President, John Boyt, Walter Boyt Saddlery Co.; Secretary, A. J. Betten, Brown-Camp Hdw. Co.

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**DULUTH, MINN.**—The Jobbers' Credit Association. (Duluth-Superior). President, W. B. Cross, F. A. Patrick & Co.; Secretary, W. L. Mackay, Stone-Ordean-Wells Co.; Assistant Secretary, M. A. McNaughton, Jobbers' Credit Association.

EL PASO, TEX.—El Paso Association of Credit Men. President, James A. Dick, The James A. Dick Co.; Secretary, H. E. Christie, 30 National City Bank Bldg.

FARGO, N. D.—Fargo Association of Credit Men. President, Nelson A. Burdick, Hall-Robertson Bldg. Co.; Secretary, H. L. Loomis, N. Y. Mutual Savings and Loan Assn.

FORT SMITH, ARK.—Fort Smith Association of Credit Men. President, T. C. Davis, Reynolds, Davis & Co.; Secretary, Ben D. Kimpel, 606 Merchants National Bank Bldg.

FORT WORTH, TEX.—Fort Worth Association of Credit Men. President, Wm. James, T. R. James & Son; Secretary, George O. McCown, Reynolds Bldg.

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LOS ANGELES, CAL.—Los Angeles Credit Men's Association. President, Warren C. Kennedy, Baker Iron Works; Secretary, W. C. Mushet, 600 Equitable Savings Bank Bldg.

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NEW CASTLE, PA.—New Castle Association of Credit Men. President, S. P. Smith, Smith-Daggett-Kurtz Co.; Secretary, Roy M. Jamison, 509 Greer Block.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, George K. Smith, Simonds Mfg. Co., Ltd.; Secretary, T. J. Bartlette, Williams, Richardson & Co., Ltd.

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NORFOLK, VA.—Norfolk Association of Credit Men. President, H. G. Barbee, Harris-Woodson Co.; Secretary, C. L. Whichard, Whichard Brothers Co.

OKLAHOMA CITY, OKLA.—Oklahoma City Credit Men's Association. President, A. R. Parker, Williamson-Halsell-Frasier Co.; Secretary, Clyde G. Young, Patterson & Hoffman Cigar Co. Assistant Secretary, George F. Dean, Chamber of Commerce Bldg.

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PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, D. G. Endy, Artman-Treichler Co.; Secretary, S. W. Severson, Room 801, 1011 Chestnut St.

PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, Enoch Raub, Raub Bros. & Co.; Secretary, A. C. Ellis, Renshaw Bldg.; Assistant Secretaries, A. C. Bunce and E. A. Schooley, Renshaw Bldg.

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SAN ANTONIO, TEX.—San Antonio Association of Credit Men. President, Jake Wolff, J. Oppenheimer & Co.; Secretary, Geo. T. Allensworth, Allensworth Carnahan Co.

SAN DIEGO, CAL.—The Credit Association of San Diego. President, I. L. Leszynsky, Simon Levy Co. Secretary, G. F. Hoff, 403 Union Bldg.

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SEATTLE, WASH.—Seattle Association of Credit Men. President, J. W. Spangler, Dexter Horton National Bank; Secretary, H. S. Gaunce, The Hambach Company.

SPOKANE, WASH.—Spokane Merchant's Association. President, A. W. Doland, Spokane Drug Co.; Secretary, J. B. Campbell, 610 Empire State Bldg.

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WICHITA, KAN.—Wichita Credit Men's Association. President, Guy Truex, Morton-Simmons Hdw. Co.; Secretary, Willis Davis, Southwestern Drug Co.

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## DIRECTORY OF ADJUSTMENT BUREAUS.

Bureaus for the adjustment of insolvent estates are operated in the following cities, and under the authority and supervision of their local Associations of Credit Men. All are affiliated branches of the National Association of Credit Men. Address all communications on Adjustment Bureau matters to the parties named:

ATLANTA, GA.—Geo. H. Boynton, 1113 Century Bldg.

BALTIMORE, MD.—S. D. Buck, 100 Hopkins Place.

BOISE, IDAHO—Chas. P. McCarthy, Room 1, Pioneer Building.

BUFFALO, N. Y.—Wilbur B. Grandison, 78 Erie County Bank Building.

BUTTE, MONT.—Guy C. Davidson, Independent Telephone Building.

CEDAR RAPIDS, IOWA—Thomas B. Powell, Magnus Block.

CHICAGO, ILL.—M. C. Rasmussen, Mgr., 218 La Salle Street.

CINCINNATI, OHIO—Henry Bentley, 614 Mercantile Library Building.

CLEVELAND, OHIO—Frank B. Bicknell, 505 Chamber of Commerce Building.

COLUMBUS, OHIO—B. G. Watson, 601-605 The New First National Bank Bldg.

DALLAS, TEXAS—W. P. Peter, 214-218 Linz Building.

DENVER, COLO.—C. N. Kinney, 409 Sugar Building.

DES MOINES, IOWA—A. W. Brett, 708 Youngeman Building.

DULUTH, MINN.—M. A. McNaughton, Jobbers' Credit Association.

FORT SMITH, ARK.—Ben. D. Kimpel, 606 Merchants National Bank Building.

FORT WORTH, TEXAS—Geo. Q. McGown, Reynolds Building.

GRAND RAPIDS, MICH.—R. J. Cleland, 201 Board of Trade Bldg.

INDIANAPOLIS, IND.—Indianapolis Credit Men's Adjustment Bureau, Commercial Building.

KANSAS CITY, MO.—Frank W. Yale, 315 Dwight Building.

LEXINGTON, KY.—C. L. Williamson, 726 McClelland Building.

LITTLE ROCK, ARK.—Frank T. Longley, 219½ Main Street.

LOS ANGELES, CAL.—F. C. De Lano, 600 Equitable Savings Bank Building.

LOUISVILLE, KY.—Wm. F. Baumeister, United States Trust Co. Building.

MEMPHIS, TENN.—Memphis Credit Men's Adjustment Bureau, Business Men's Club Building, 79-81 Monroe Avenue.

MILWAUKEE, WIS.—S. Fred. Wetzler, 500-501 Free Press Building.

MINNEAPOLIS, MINN.—J. P. Galbraith, 501-8 Endicott Bldg., St. Paul, Minn.

NEWARK, N. J.—Harry V. Osborne, 164 Market Street.

NEW CASTLE, PA.—Roy M. Jamison, 509 Greer Block.

NEW ORLEANS, LA.—W. C. Lovejoy, 711-712 Canal, La. Bank Building.

OKLAHOMA CITY, OKLA.—George E. Black, 538 Bassett Building.

PHILADELPHIA, PA.—Edmund S. Mills, Room 801, 1011 Chestnut Street.

PITTSBURGH, PA.—A. C. Ellis, Renshaw Building.

PORTLAND, ORE.—R. L. Sabin, 1 Front Street.

PUEBLO, COLO.—E. C. Abel, 501 Court Street.

RICHMOND, VA.—Geo. B. Wilson, 1113 East Main Street.

ST. LOUIS, MO.—A. H. Foote, 600 Security Building.

ST. PAUL, MINN.—J. P. Galbraith, 501-8 Endicott, Building.

SALT LAKE CITY, UTAH—Walter Wright, P. O. Box 419.

SAN DIEGO, CAL.—G. F. Hoff, 403-4 Union Building.

SAN FRANCISCO, CAL.—Ben Armer, 409 Monadnock Building.

SEATTLE, WASH.—I. H. Jennings, 802-805 Central Building.

SPOKANE, WASH.—J. B. Campbell, 1106-8 Old National Bank Building.

TACOMA, WASH.—J. D. Benner, 303-305 Bank of California Building.

WICHITA, KAN.—Willis Davis, Southwestern Drug Co.

YOUNGSTOWN, OHIO—W. C. McKain, 607 Stambaugh Building.